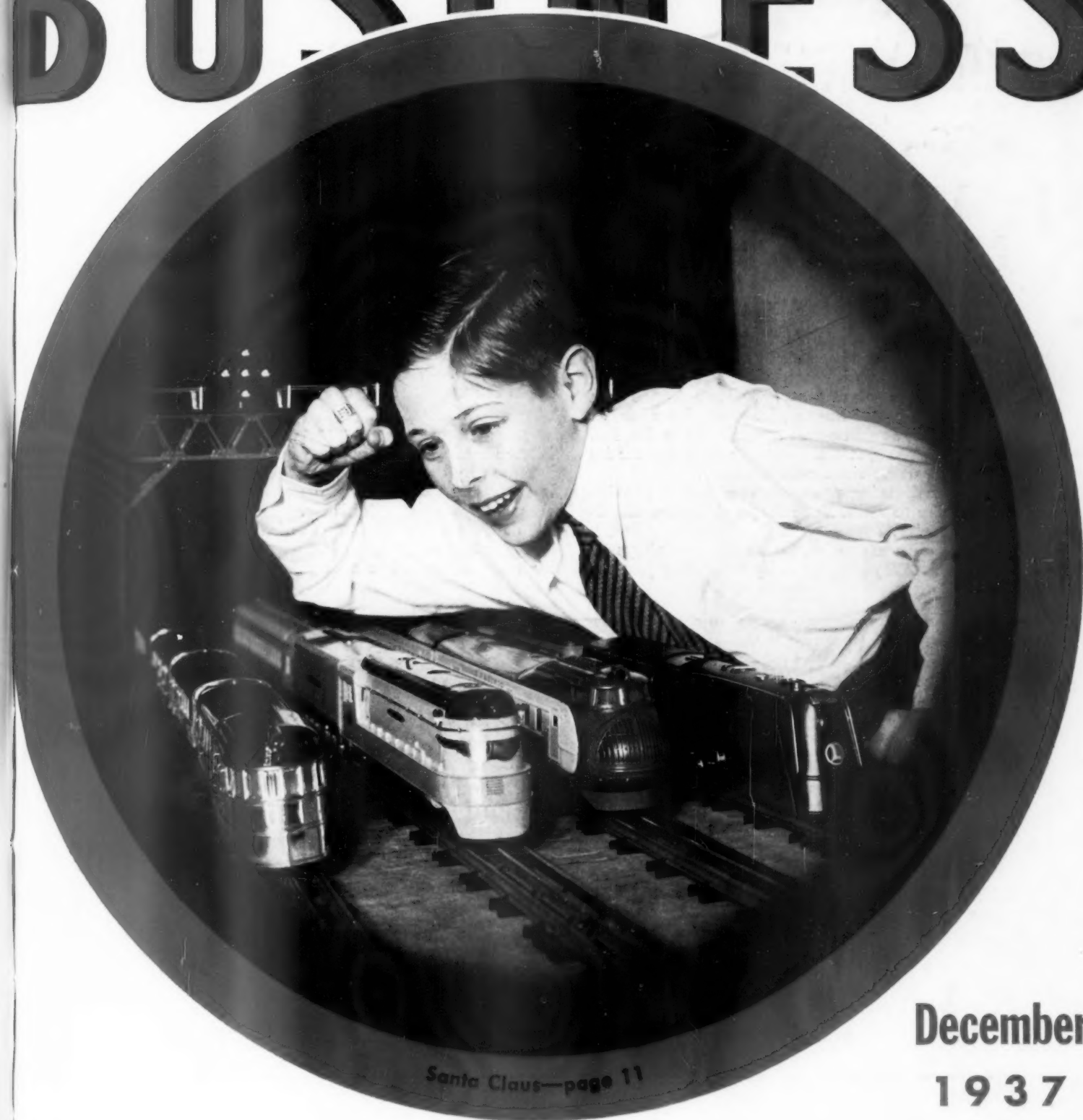


PERIODICAL ROOM
GENERAL LIBRARY
UNIV. OF MICH.

NOV 29 1937

NATION'S

BUSINESS



Santa Claus—page 11

December
1937

A Contrast in "Perfect" Towns • The Art of Being a Good Boss • The New
Senate Prosecutors • Legislation by Default

Some one has put it this way:

**The Goal of our Engineers
is to Help our Customers Use
as Few Pounds of Aluminum as possible**

Epigrams are dangerous as statements of industrial policy. But this paradox happens to be a true description of our program of engineering cooperation.

Everyone who makes use of aluminum (or any other material) wants to use the least amount which will serve the desired purpose. That is good engineering, good design, and good business.

35 INSTEAD OF 40

For example, John Doe sees a market for a really light wheelbarrow. Naturally he considers aluminum. He estimates that by using forty pounds of aluminum he can cut the weight of ordinary wheelbarrows in half.

But if, by advice in the matter of design and the right alloy to use, we show him how to make his wheelbarrow with only thirty-five pounds of aluminum instead of forty, we have helped him make a still better barrow. That will be a benefit to the user. It will mean more business for Mr. Doe. And for us, it will create a new customer for aluminum where none existed before.

Two engineering programs combine to provide this service to users. Both are as old as the aluminum industry.

One program continually seeks new alloys of aluminum. Alloys are made by combining just the

proper amount of other metals with aluminum, and the number of possible combinations is large. Every alloy differs in important properties from all other alloys, and has the ability to perform better under a given set of conditions than any other material.

In fifty years of research we have developed a large, related family of such alloys. The ultimate purpose of these alloys is to enable the John Does to use 35, instead of 40, pounds of aluminum on their barrows.

The other program seeks to make sure that John Doe uses the right alloy, and uses it *in the most economical way*. The practical knowledge of our engineers is placed at his disposal. If help in design is welcome, or assistance with manufacturing problems is required, where should a user find better help than among the men who have made the usefulness of aluminum their life work?

HELP FOR MOTHER N.

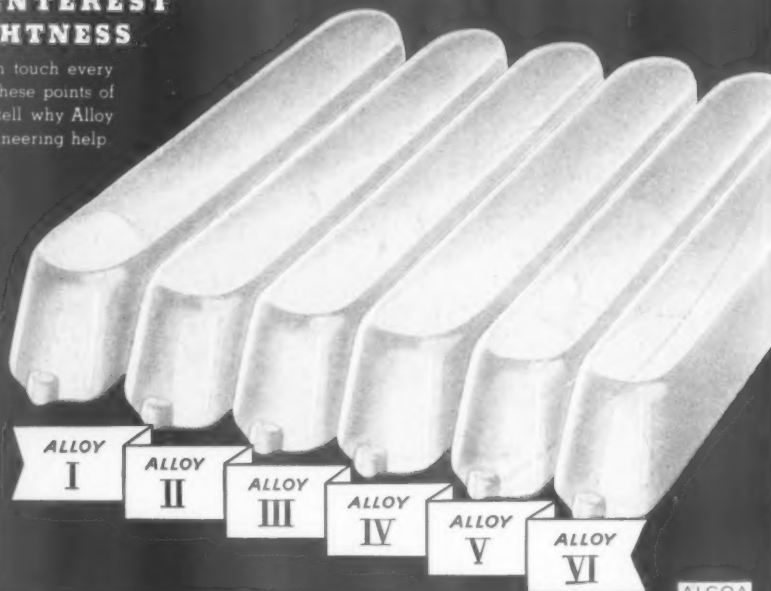
Nature made aluminum light. Research has made it strong by creating alloys. Engineers have made it useful by showing where and how to employ these alloys most effectively.

The increasing usefulness of aluminum is a direct reflection of this continued program of helping customers use less aluminum.

**SOME OF THE POINTS OF INTEREST
ALONG THE ROADS TO LIGHTNESS**

Each alloy of aluminum is a road to lightness. No road can touch every point of interest. No alloy has everything. Engineers call these points of interest *properties*. Notice how properties vary. Can you tell why Alloy V is preferred for airplanes? That is one purpose of our engineering help.

HOW SIX ALLOYS COMPARE in four out of many POINTS OF INTEREST TO USERS						
	Best	2nd	3rd	4th	5th	6th
Strength and Hardness	V	IV	VI	III	II	I
Resistance to Fatigue	VI	III	IV	V	II	I
Ease of Forming	I	II	VI	III	IV	V
Electrical and Thermal Conductivity	I	II	V	IV	III	VI



ALUMINUM COMPANY OF AMERICA



QUESTIONS our readers
are asking:

- 1 • HOW can we stop the tide of laws restricting the functioning of business, big and little? . . . ANSWER ON PAGE 15
- 2 • WILL we continue to have Senate investigations, and, if we do, who is going to run them? . . . ON PAGE 17
- 3 • WHAT ever happened to this town of Norris that the Government was planning to make into a model community? . . . ON PAGE 18
- 4 • COUNTRIES with dictators seem to have solved some problems that we still have. Could we solve them under democracy? . . . ON PAGE 21
- 5 • WHAT do the sailors think of these shipping strikes that continue to tie up our shipping? . . . ON PAGE 24
- 6 • HAS anybody ever worked out a scheme by which our whole economic system would be handled by one central authority? . . . ON PAGE 30
- 7 • EVERYBODY says I ought to try to be a good boss, but how can I learn how to be one? . . . ON PAGE 36
- 8 • METHODS of selling goods are changing, of course, but who can say what the next change is likely to be? . . . ON PAGE 39
- 9 • A LOT of towns have formed organizations that are supposed to end strikes but do any of them really work? . . . ON PAGE 74
- 10 • I KNOW that a lot of these regulations are silly but why should I say so and stick my neck out? . . . ON PAGE 78
- 11 • WHO writes all these books about business and what would I get out of them, even if I read them? . . . ON PAGE 82
- 12 • WHY didn't somebody warn us that this new business recession was on the way? . . . ON PAGE 96

What is Coming in January . . .
Turn to Page 99

Contents for December . . .

	PAGE
Business Gets Its Due	15
By J. HARRY LA BRUM	
The New Senate Prosecutors	17
By CARLISLE BARGERON	
A Contrast in "Perfect" Towns	18
By CHARLES STEVENSON	
The Temptation of Jonathan	21
By GEORGE SYLVESTER VIERECK	
I Joined the Union to See the Sea	24
By GEORGE H. BARROWS	
I Feel Like a Man Again	27
By W. O. SAUNDERS	
Why a Planned Economy Is Unworkable	30
By L. M. GRAVES	
Puerto Rico Calls for American Goods	33
The Art of Being a Good Boss	36
By A. M. FERRY	
In the Sweet Buy and Buy	39
By RUTH MC INERNEY	
Fashion Note	42
By H. I. PHILLIPS	
"By Mandate of a Pious Statute"	43
The Business of Miracles	48
By JOHN MULHOLLAND	
Seattle Finds Labor Peace	74
By CARL E. E. WEBBER	
Business Must Go On	78
By ROLAND B. WOODWARD	
The Tools Executives Overlook	82
By ORDWAY TEAD	

The Regular Features . . .

Through the Editor's Specs.....	7
To Preserve Our Immigration Problem.....By MERLE THORPE	13
Business Men Say.....	45
Seeing Red.....	46
No Business Can Escape Change.....	52
Washington and Your Business.....By HERBERT COREY	54
Memo . . . for Busy Readers.....	62
The Map of the Nation's Business.....By FRANK GREENE	64
We Take Our Pen in Hand.....	92
Leaders in the March of Business.....	94
Speaking of Finance.....By EDWARD H. COLLINS	96

NATION'S BUSINESS • CHAMBER OF COMMERCE OF THE UNITED STATES

VOLUME 25

Merle Thorpe, Editor & Publisher

NUMBER 12

Managing Editor, RAYMOND C. WILLOUGHBY; Business Manager, LAWRENCE F. HURLEY; Director of Advertising, E. V. THOMPSON.

GENERAL OFFICE—Washington, U. S. Chamber Building. BRANCH OFFICES—New York, Graybar Bldg. San Francisco, 433 California Street. Dallas, 1101

Commerce St. Chicago, First National Bank Building. Atlanta, Chamber of Commerce Building. As the official magazine of the Chamber of Commerce of the United States this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

BUSINESS DEPENDS ON MONROE FOR FIGURES



TRAVEL . . Figures are as much a part of railroading as engines, and Monroes are indispensable. The Pennsylvania R. R. — Monroe user for years — has recently added to its Monroe equipment.



BANANAS . . The business of importing, shipping, and distributing billions of bananas calls for endless figures. Melo-Ripe Fruit Co. buys more Monroes.

EVERYWHERE Monroes are doing the bulk of America's business figuring, because they turn out the greatest number

of correct answers in the least time. Speed, simplicity, economy, and unequalled ease of operation have made Monroe the leader. Use the convenient coupon for Monroe literature.



VELVET TOUCH . . Every Monroe has the famous "Velvet Touch" keyboard, an exclusive feature that takes the strain off operators. Photo shows newest Monroe Adding-Calculator, Model MA-7, "The Fastest Producer of Business Figures."

**A MONROE FOR
EVERY FIGURE JOB**

ADDING-CALCULATORS
LISTING MACHINES
BOOKKEEPING MACHINES
CHECK WRITERS
CHECK SIGNERS

MONROE

CALCULATING MACHINE COMPANY, INC.
GENERAL OFFICES • ORANGE, N.J.



PICTURES . . Kodaks and films mean payrolls, inventories, costs, and countless other figures, day in and day out. For years, Eastman Kodak Co. have been users of Monroes — both adding-calculators and adding-listing models.



MONEY . . Typical of how banks depend on Monroes is the First Huntington National Bank (West Virginia). It uses adding-calculators, simplex and grand total listing machines.

Please send me free booklets on Monroe machines.

Name

Address

MORE THAN 150 MONROE-OWNED BRANCHES SERVE AMERICAN BUSINESS



...when Iron Fireman replaced hand-firing at G. B. Lewis Company

● Want to cut fuel costs in your factory, building or home? Want to increase heating plant efficiency—reduce firing room labor—abolish smoke nuisance?

Then install an Iron Fireman automatic coal burner in your boiler. If yours is a typical case, you will make fuel savings of 15% to 50%, in addition to having the finest automatic heating that money can buy.

Here's just one example to prove the point: G. B. Lewis Co., manufacturers of Lewis Beeware, Watertown, Wisconsin, supplanted hand firing with Iron Fireman automatic coal firing. Fuel savings in one year were \$400 or 21%, in spite of the fact that the building was heated for night operation half of the time. Heat was far more uniform than before. Smoke nuisance was eliminated. Former boiler room labor was released for more productive use in the plant. In the opinion of George C. Lewis, President, Iron Fireman has thoroughly established itself as a paying investment in plant equipment.

Results like these can be achieved for you, just as they have for the Lewis Company and for thousands of firms. If you haven't had an Iron Fireman survey and report, ask your dealer to make one. This service gives you facts and figures on what Iron Fireman can do for you. If you want literature, just write to the factory at 3027 W. 106th St., Cleveland, Ohio. Iron Fireman is made for boilers developing up to 500 h.p. Quickly installed. Easy terms—36 months to pay. Iron Fireman Mfg. Co., Portland, Oregon; Cleveland; Toronto. Dealers everywhere.



G. B. Lewis Company, the home of Lewis Beeware, Watertown, Wisconsin.



IRON FIREMAN
AUTOMATIC COAL BURNER

Through the EDITOR'S SPECS

Fundamentals

THERE'S a sermon in a sentence from the Cleveland Trust Co. Bulletin's reminder that, in 1929, the *per capita* volume of our industrial production was about eight times what it was in 1855, and from that came the enormous advance in the American standard of living. It is as simple as that: to have more, produce more. Many trainloads of facile theories from Washington will not change that fact.

And James D. Mooney, General Motors' export boss, cut sharply through certain trends the other day with: "My idea is to make everybody work like hell and then pay them more than they could get anywhere else." The Old Timer who called that one to our attention said: "Why, not so long ago, we'd have thought that was good, healthy fun."

Trade and banter

Out of a hat
The magician can conjure a rabbit.
But from a new hat
A good saleswoman
Can conjure a new woman.
And the woman herself will then
be something
To conjure with.

TATTOOING is having a boom. It is quite the fashion for the safe carrying of your Social Security number. You can get the first nine figures for 75 cents, ten cents for each additional figure up to 17, then a nickel a letter. And that, too, by a Master who has been paid as much as \$100 for his famous death-battle of a boa constrictor, eagle and dragon! He is Professor Chris ("Swede") Nelson of 11 Market Street, San Francisco, and he averages two social security clients a day.

ATTRIBUTED to Senator Byrnes: "The nearest thing to immortality on earth is the government agency."

PRIDE IN THE PROFESSION:irate fishermen throw fish in the faces of racing yachtsmen who menace the sanctity of their place of business. . . . A boy of six waves a roaring train to a dead halt so he can drive two

of his father's cows across the tracks. . . . A cafe owner in Spokane dies of rage because his cook insists on drinking coffee from the saucer.

THE MAN HAD BEEN thrown out of a Federal Relief office. "I only asked," he told the inquiring reporters, "who is going to take care of the unthrifty when all the thrifty are broke."

Airplane squeaks

YANKEE research follows the product into use, hunts for faults and seeks to find ways of making it better.

Though an American by adoption, Igor Sikorsky believes strongly in this dictum and manages to ride in his Clipper planes scores of thousands of miles, alert to find flaws. The other day he was sure he had found one and he was amazed. Could it be that this sleek and intricate mechanism actually squeaked? He moved from compartment to compartment, searching, listening, while passengers watched him with interest. After a while he returned from the "stern" of the ship, pocketed his notebook and sat in smiling contentment. In the luggage compartment he had found a crate of baby chicks, South America bound.

Inside your hat "business"

THE men's hat industry had to do something about the no-hat fashion. It did. It has countered with the "Head-Culture Hat"—"heat-deflecting," "air-conditioned," "equipped," "plastic-mold," "weather-resistant," and "sanitized." What No-Hatter can withstand that? It seems that hat dealers have to approach the "beloved old hat" hurdle very cautiously and, with the diplomacy of the State Department, tell the "patient," as it were, that "he ought to have three old hats—one for fishing, one for working in the garden, or just sitting around, and one for stern work like cleaning the car." In conclusion, you have the old hat—we can't supply the old, but have the best of the new.

Feather bands, by the way, are beginning to creep around unwitting

Announcing LIGHTEST 10-KEY PORTABLE ADDING MACHINE *with direct subtraction*



ADDS \$999,999.99 . . . meets practically all requirements of modern business by adding to one cent less than one million dollars. Larger capacity models available.

LISTS Eight Columns with a simplified ten-key keyboard. Operates like lightning. Beginners quickly develop natural touch system by depressing keys in same order as you write numbers on paper.

MULTIPLIES so quickly and easily that many firms use this machine as desk calculator. Depression of cipher key moves the entire multiplicand from column to column without extra operation.

DIRECT SUBTRACTION Simply depress the subtract-key. The machine automatically deducts figure you entered.

HERE'S the lightest, simplest portable adding machine ever developed with direct subtraction. Weighs only 16½ pounds. Takes up little more desk space than ordinary letterhead. Simple ten-key keyboard—easy to use as pencil and paper. Complete line of models, manual and electrified, with or without direct subtraction, and with wide carriages.

FREE 7-DAY TRIAL. Fill in and mail coupon on this page or write us on business letterhead for free 7-day trial. See for yourself how many hours this new all-

purpose machine saves. Then after you've tried the machine free, ask our representative about low cash price or convenient payments as low as a few cents a day.

Remington Rand Inc., Dept. A-12
465 Washington Street
Buffalo, N. Y.

Without obligation, please send me literature describing your new Remington Rand Portable Adding Machine and tell me about free 7-day trial offer. I am interested in ☐ hand operated model; ☐ electric model.

Name

Street

City State

OK...it's from

Remington Rand

heads of mankind, also colored plaids and bows in back. John Lewis, it is reported, bought a \$75 Panama at a New York store, "but"—plaintively remarks *Hatlife*—"if he's going to wear his hat at that Rock of Gibraltar angle over his nose, he might just as well put on a \$1.98 one."

Puzzle

GUESS what work pays \$27,000,000 a year, and guarantees a job to every applicant?—employs 81,000,000 Americans, pays only a few, and still has no strikes?

You can't guess?

Why, Guess-Work. Puzzles. Contests.

Then, too, there's the business of advising puzzlers and the puzzled. Miss Helen King is one of the leading consultants. Women like the letter-type contest. Men prefer straight puzzles and slogans.

And—for really making a career of the thing—a correspondence-school offers a course as "the key to bigger and better winnings of the aggregate \$10,000,000 offered last year in contest prizes."

The romance of business

JUST 100 YEARS since William Procter, who made candles, and James Gamble, who made a soap, merged their trades in a Cincinnati shed, and still "it floats" . . . A store presents gratis an extra layette to each of 69 new mothers who had purchased the conventional one, and then had twins . . . With radio music soothing (or would it be stimulating?) his cows, Joe Bryan of Portland, Ind., increases the daily milk yield—and manufacturers of fountain-pens are, on the contrary, trying to restrain the excess flow from their product when the pens are carried above 5,000 feet in planes . . . Customer-demand sets science persuading hens to produce nice, up-standing yolks—and customer-demand also motivates chain stores, poultry men and our government to join forces to "put two eggs back on the breakfast plate."

Credit where credit is due

LAST year the people of the United States rolled up a national income of \$63,799,000,000 in the value of commodities produced and service performed. For the current year the Department of Commerce puts the figure at \$70,000,000,000.

Of the 1936 total, \$62,056,000,000 was paid out in wages, dividends, interest, royalties, rents, and similar costs. Notable is the share credited to "labor"—66.5 per cent, an all-time

high. And while the aggregate of pay envelopes topped 1929's peak by one per cent, dividends sagged 23 per cent below that year's lush showing.

Among the high ranking producers of national income, "manufacturing" is placed first by the Department with more than 14,000,000,000. Next, is ranked the federal Government with more than 9,000,000,000.

Easy enough to recognize manufacturing's contribution to the people's purses. To qualify the Government as a producer of income seems to require an oblique use of definitions. What it "produces" must at base be provided by the enterprise and labor of its citizens. Distinguishing what is really produced at the source and what is only a secondary phase of that fundamental production will reveal business as a double contributor to national well-being—first, in its own character; and second, through Government, as the dispenser of taxes paid by business.

To contend that the tax collector creates income would seem to soak truth with a surtax of fiction.

So this is America!

IN 1937, 320,000 Americans spent \$234,000,000 in Canada—and three stowaways were found on one ship from Europe . . . Secretary Ickes was 11 minutes late to a meeting of division heads summoned by him to enforce punctuality . . . Three hundred children in the Bronx picket an apartment house in a determination to get a play-street in the vicinity, the demonstration ending without bloodshed when the doors of the neighborhood motion picture house opened for the weekly matinee.

Who got the "benefits"?

DOWN IN MAINE it is said farmers aren't so excited about a new AAA, whatever its name. Someone has done some figuring on the last "benefits," as follows:

The farmers of Maine received an average of nine cents a farm and the cost to them of processing taxes was approximately \$19.21 a farm.

Cost to the whole population of Maine, \$841.96 for each \$1.00 received by their farmers.

They had their chance

THE GOVERNMENT never built an industry, but if private capital will build an industry the Government will furnish a Commission that will do a better job than industry can do in running its own business. Seven of the country's largest coal producing districts were called to Washington to be lectured by the National



HORSEPOWER IS NO LAUGHING MATTER

Save IT WITH
MORSE POSITIVE DRIVES

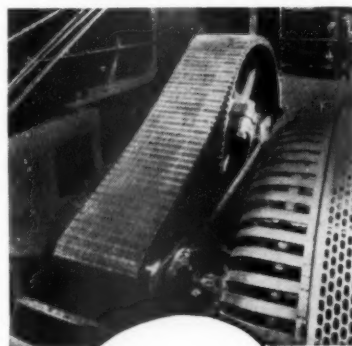
Teeth, not tension, turn the wheels when a Morse positive drive takes over! Morse drive efficiency—98.6%—cuts power waste to a new low. There's no slippage. Power flows evenly, smoothly.

The Morse principle of power transmission minimizes wear and tear both on the drives themselves and on motors and machines.

Actual plant experiences over scores of years have proved that Morse Drives are better. Longer-lived, require less maintenance and service, maintain higher production levels.

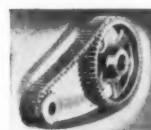
Yet Morse Drives cost no more than ordinary types of power drives!

The Morse man in your territory will be glad to consult with you on Morse positive drives for your plant. Or write direct to Morse, Ithaca.



A MORSE SILENT CHAIN INSTALLATION

No job is too large or too small for a Morse Silent Chain. They are built in all sizes, from fractional horsepower drives to the largest. Drives in stock up to 50 h. p.



MORSE SILENT CHAIN



MORSE ROLLER CHAIN



MORSE STANDARD COUPLING



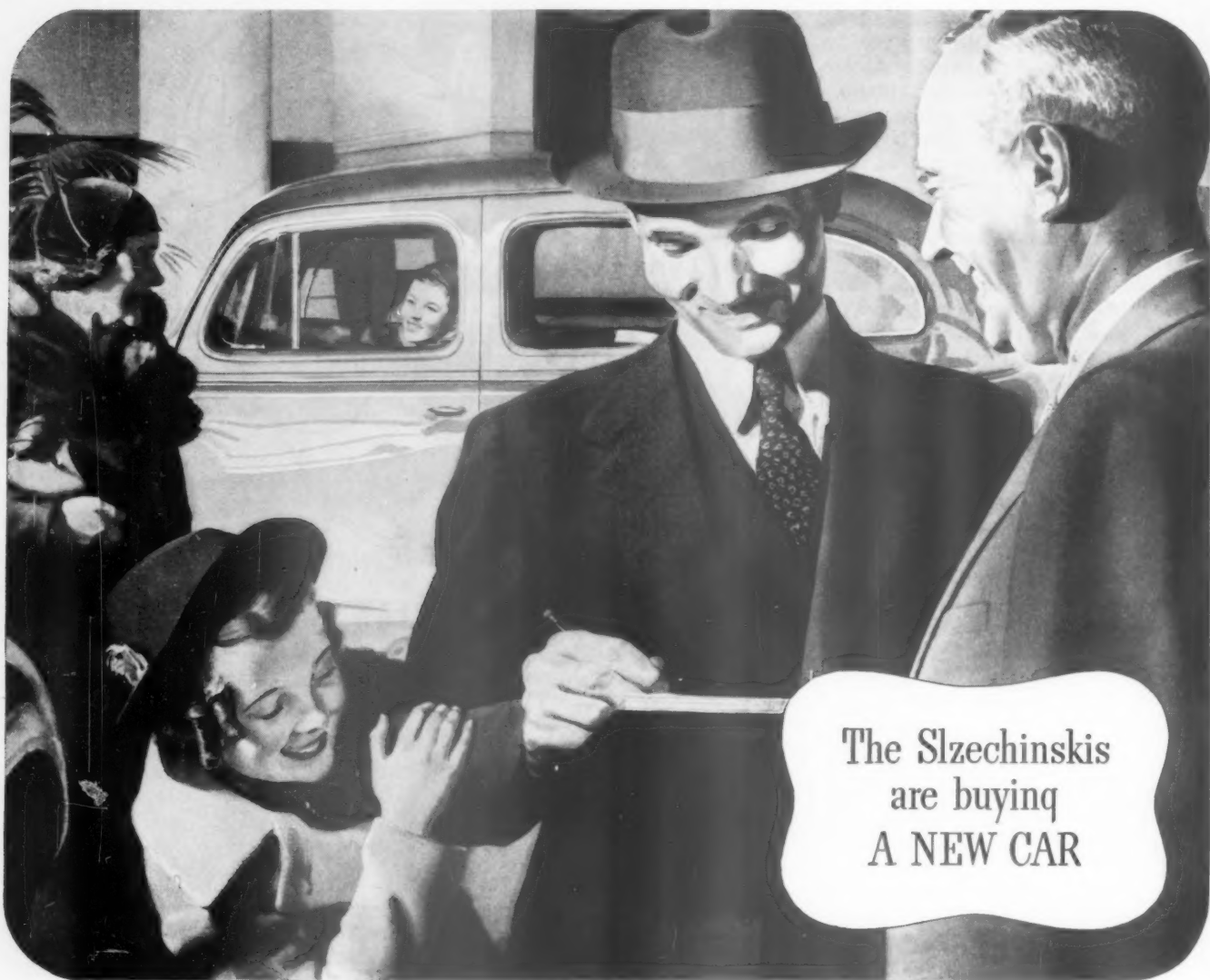
MORSE MORFLEX COUPLING

SILENT CHAINS ROLLER CHAINS FLEXIBLE COUPLINGS KELPO CLUTCHES

Modernize WITH MORSE POSITIVE DRIVES

MORSE CHAIN COMPANY ITHACA N. Y. DIVISION BORG-WARNER CORP.

AN ADVERTISEMENT OF THE WESTINGHOUSE ELECTRIC & MANUFACTURING COMPANY • EAST PITTSBURGH, PENNSYLVANIA



The Slzechinskis
are buying
A NEW CAR

America builds more and buys more — thanks to electrically-driven machines

WHEN Mike Slzechinski's relatives in the "old country" hear he has bought an automobile, they'll conclude he is either crazy or rich. Of course, he is neither. He is just an average American workman, enjoying the benefits of a production system that turns luxuries into commodities by creating an abundance of them.

Working under this system, the automobile industry is making it

possible every year for more Americans to enjoy better cars. Its purchases stimulate business and employment all along the line. It employs directly a vast army of workers who earn enough themselves to be good customers for the products they make.

Westinghouse engineers have had no small part in building this system, which is founded largely upon the ability of machines to

multiply the productive powers of men. Wherever you see machines and men at work, you are likely to see Westinghouse electric motors and control apparatus. Through the intelligent application of electricity to modern production problems, Westinghouse is helping the automobile industry — and every industry — to make America the constant envy of the entire world as a place to live and enjoy life.



Westinghouse

The name that means everything in electricity

Bituminous Coal Commission. Said Charles S. Hosford, Jr., then chairman of the Commission, to the meek and penitent group, who had fought their way through the years over obstacles and built one of the nation's biggest industries:

I am rapidly coming to the point of view that we can take the men who are now employed in this Commission as examiners and do a thoroughly good job, in fact just as good, or a better job than industry can, as long as too many of them allow their opinions to be influenced by selfish interests.

The "selfishness" complained of is delay by operators in agreeing on minimum prices and a general increase in the price of coal, and passing the increase on to "unselfish" C.I.O. mine workers. One of the difficulties which Mr. Hosford fails to recognize is the "selfishness" of the consumer, who frequently has the alternative of electricity, oil, artificial and natural gas.

Santa Claus

FEW OF US outgrow the thrill that Christmas brings. It is our most joyous holiday. In addition to its religious significance, its theme of "peace on earth, good will to men," it gives us colorful decorations, inspiring music and, above all, the expectation of gifts.

And in receiving gifts, most of us are children at heart. From the toddler who goes to bed in wide-eyed anticipation of Santa Claus' visit, through childhood, into maturity, there is a peculiar pleasure in receiving something for nothing.

The joy of the boy pictured on our cover, through the courtesy of the Toy Manufacturers of the U. S. A., is not dimmed by the knowledge that "Santa Claus is just his father dressed up." The mother's pleasure in receiving a gaily ribboned parcel on Christmas morning is not lessened by the knowledge that the January bills will be larger because of it.

Enterprise did it

RETURNING from the Pan American Conference about a year ago, Harper Sibley, then president of the U. S. Chamber, was quick to pay tribute to the airplane as both a business and diplomatic agent in drawing the Americas more closely together.

We note with interest, therefore, that the last of our neighbor republics now has been linked to us by air. According to an announcement by Pan-American Airways—which operates with W. R. Grace and Co., as "Panagra," in South America—Asuncion, capital of Paraguay, now is within four and one half days of the United States, a gain of two weeks,

as compared with rail, river and ocean line. Moreover—says PAA, with a little, excusable brag—this is now a 30,000 mile system linking "147 commercial centers in 21 republics and 13 colonies."

Do you recall how and when all that started? Probably not. It was the "dream" of a group of Young Men With Money. Among the names were Whitney, Harriman, Hoyt, Trippe, Vanderbilt, Fairchild. To a good many it looked, at the time, like a flash hobby of the first "aviation country club" crowd. Others of such names had been empire builders, but these were white-handed sons. And when did they start this "hobby"? Jan. 1, 1929—or about nine months before the props were knocked out from under nearly everything!

Horatio Alger stuff? But then he was a poor boy.

At any rate, a tip of the wing in greeting to Paraguay, and in salute to "Panagra."

Putting brakes on trade

RESTRICTION of financial advertising by the Securities Act recalls the "tombstone" business cards of the long ago. It is as chary of words as Paul Revere's printed announcement of himself as goldsmith and engraver. What the neighborhood tailor modestly proclaims who "begs to announce his fall line of suitings" is extravagant wordage when weighed against the enforced brevity of the investment houses.

That compliance with the letter of the law is fearfully supplemented with spiritual caution, a characteristic warning eloquently suggests:

This advertisement is not, and under no circumstances is to be construed as an offering of these securities for sale, or as an offer to buy, or as a solicitation of an offer to buy any such securities. This offering is made only by the prospectus.

How to facilitate the flow of capital from one hand to another and bring it to effective focus for the use of trade and industry is a problem with no likelihood of solution from financial cryptograms. At base it is a problem of selling, a problem of telling the world what it may reasonably hope to gain from the commitment of its means.

Admit that John Doe does not hand over his wherewithal to Richard Roe without a showing of his own benefit in the transaction, and the need for more details in the description of equities is at once apparent. It's all discussed in the May issue of NATION'S BUSINESS, "Eight Facts Looking For an Audience." Nobody has yet succeeded in repealing human nature.

ARE YOU SPENDING

Christmas

AT HOME?



GO BY TRAIN

Remember last Christmas, how you fought holiday traffic on the highway . . . had one or two narrow escapes . . . pushed on with wire-tight nerves through snow and freezing rain . . . got home hours late.

This year, why not enjoy every minute of your holiday visit? Sink down into a comfortable seat on the train. You're safer there than in your own home. No responsibilities, no worries, no strain. Just relax and rest. Tempting dishes, served by the dining car chef, will whet your appetite for Christmas dinner.

And going by train will save you money too—no small item considering the inroads made by Christmas on your pocketbook.

"The Pocahontas" and "The Cavalier"—two crack N. & W. passenger trains carrying luxury coaches, Pullman, dining and lounge cars—will take you home at Christmas time and bring you back again comfortably, economically, speedily and safely.

**NORFOLK
AND
WESTERN**
Railway
PRECISION TRANSPORTATION

For safety's sake, remember:
THERE IS NO SUCH THING AS A
BLOWOUT-PROOF TIRE!

"I THOUGHT MY TIME HAD COME!"

YOU may not get another chance when a blowout shoots your car careening off the road—what happens then is just pure luck. So why take chances — when Goodyear's amazing LifeGuard* Tube enables you to ride through the worst blowout with your car under perfect control!

Makes blowouts harmless

This amazing tube does not prevent blowouts — but it does make them as harmless as a slow leak. Your tire may burst from bead to bead, yet the LifeGuard Tube's patented "inner tire" (see diagram) retains enough air to hold up your casing. You hear the warning "Bang"!—but there is no sudden swerve, no unexpected lurch toward the ditch or cross traffic. Even a slip of a girl can hold the heaviest car on the road and slow down to a safe, easy, straight-ahead stop.



"While touring in a heavy car my left rear tire blew out completely across the tread," writes Mr. P. L. DeMont of Hanford, California. "The car didn't swerve an inch! I slowed down...stopped...and found the LifeGuard Tube still held air. It saved us from the ditch"

And when you stop you'll still find air in the LifeGuard Tube—enough to keep the casing on the wheel and support the car until you can change tires in a safe convenient spot.

Has saved hundreds

LifeGuard-equipped tires have been blown open with dynamite caps, ripped with railroad spikes in thousands of tests. Yet even these extreme blowouts have never thrown a car out of control. In everyday use LifeGuards have saved the lives of hundreds; prevented untold accidents that might have been fatal.

Remember, there is no such thing as a blowout-proof tire. Your only sure protection against this constant peril is the LifeGuard Tube. See it today at your Goodyear dealer's or Goodyear Service Store — tomorrow may be too late. You can't buy better protection to save your life!

GOODYEAR
LifeGuard Tubes

TAKE THE TERROR OUT
OF BLOWOUTS



This remarkable safety tube consists of a reserve two-ply inner tire inside the regulation tube, both inflated by the same valve. When the casing blows out only the outer tube lets go. The inner tire holds enough air to support the car without lurching until you can come to a safe stop.

FOR PASSENGER CARS
TRUCKS • BUSES

"I WOULDN'T DRIVE ANOTHER
MILE WITHOUT LIFE GUARDS"

*LIFEGUARD is a trade-mark of The Goodyear Tire & Rubber Company, Inc., and is protected by patents applied for



To Preserve Our Immigration Problem

LET DOWN immigration bars for 24 hours, provide the ships—and the passage money,—and 100,000,000 persons would flock to this country from every part of the world. They would abandon family, friends and traditions of centuries for the promise and opportunity this nation offers.

Maybe they are smarter than we are. For we find ourselves increasingly dissatisfied with the way America has done things for 150 years and have set about tampering with those fundamentals which have made America a coveted goal.

Here's something to think about! Every civilized country presents an immigration problem to America, but America presents no immigration problem to any other of the 59 countries on the globe. Boats leave our shores every day filled with tourists and travelers' checks. But stowaways are discovered by immigration officers on every incoming ship. No American ever expatriates himself without first accumulating here enough money upon which to live in comfort abroad. But people come to America without money; they need only a will to work.

One of the forces that has made this country a promised land is ability to pull together as a team. Out of the town meeting idea grew one phase of group effort, chambers of commerce and trade associations. They have been effective because they have been voluntary. Groups enlist in common effort and pursue the objective by experiments; if the experiments prove impractical they are washed up. Unlike politics, voluntary groups have no inhibitions against admitting mistakes.

Yet we are asked to substitute for our voluntary efforts the system of compulsory group effort from which these millions of foreigners would flee. We are told that the system of political regimentation favors the under-privileged, but the under-privileged of other countries evidently do not think so.

While we raise immigration walls against the individual, we have no quota restrictions against

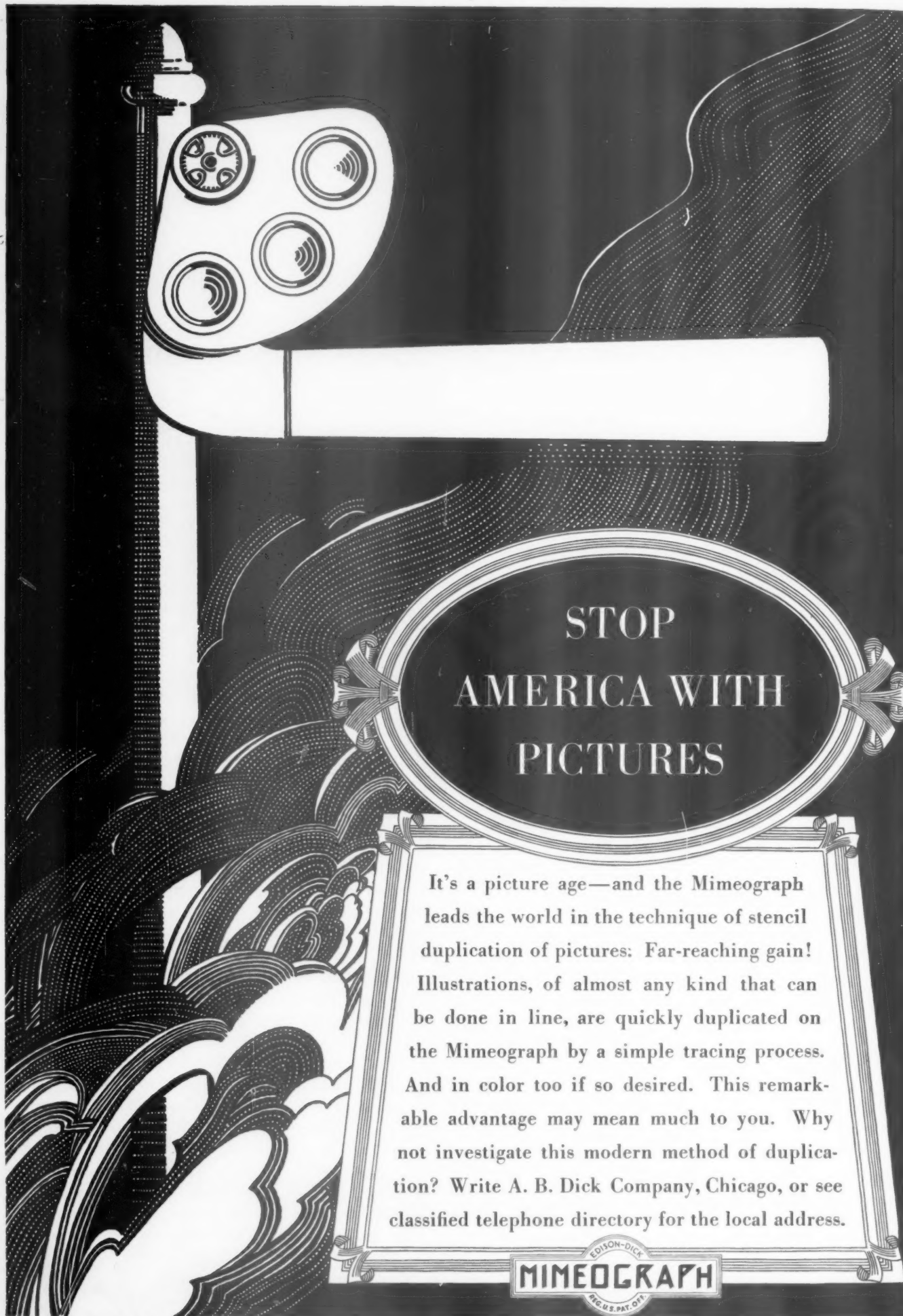
alien philosophies which are vastly more dangerous than the immigrant himself. We embrace foreign theories of government and reject individuals seeking to escape from them. "We, the people" are magnetic words that cause regimented millions of other nations to lift up their hearts in hope that their children may find here the freedom, opportunity and self-expression that they themselves have been denied.

Perhaps when we adopt old-world methods we may solve our immigration problem. Nobody will find here any change from the oppression he endures elsewhere and won't care to come. If we adopt them in the true American style of "bigger and better," we may even look forward to the time when immigration quotas will be established against us.

All history records the fact that when men aspire to autocratic leadership they fear voluntary groups most, because only through such agencies can the individual make himself heard and felt. Alone, he faces discipline, to use a mild word. But when business groups offer counsel and advice they are dubbed "reactionaries," when they are only realists. Business men must be slow to accept untried theories on a large scale. Furthermore, they value economic freedom and know that, when it goes, political freedom will go with it. They are the last line of an ordered democracy's defense, and are not liked by the political opportunists.

Today there is a tendency to discredit such business groups, sneers for chambers of commerce and proposed legislation to license trade associations. Every American, who wishes to preserve an immigration problem for America, should be advised and be on guard against unwittingly lending aid and comfort to the forces which would disrupt and ultimately destroy them.

Merce Thorne



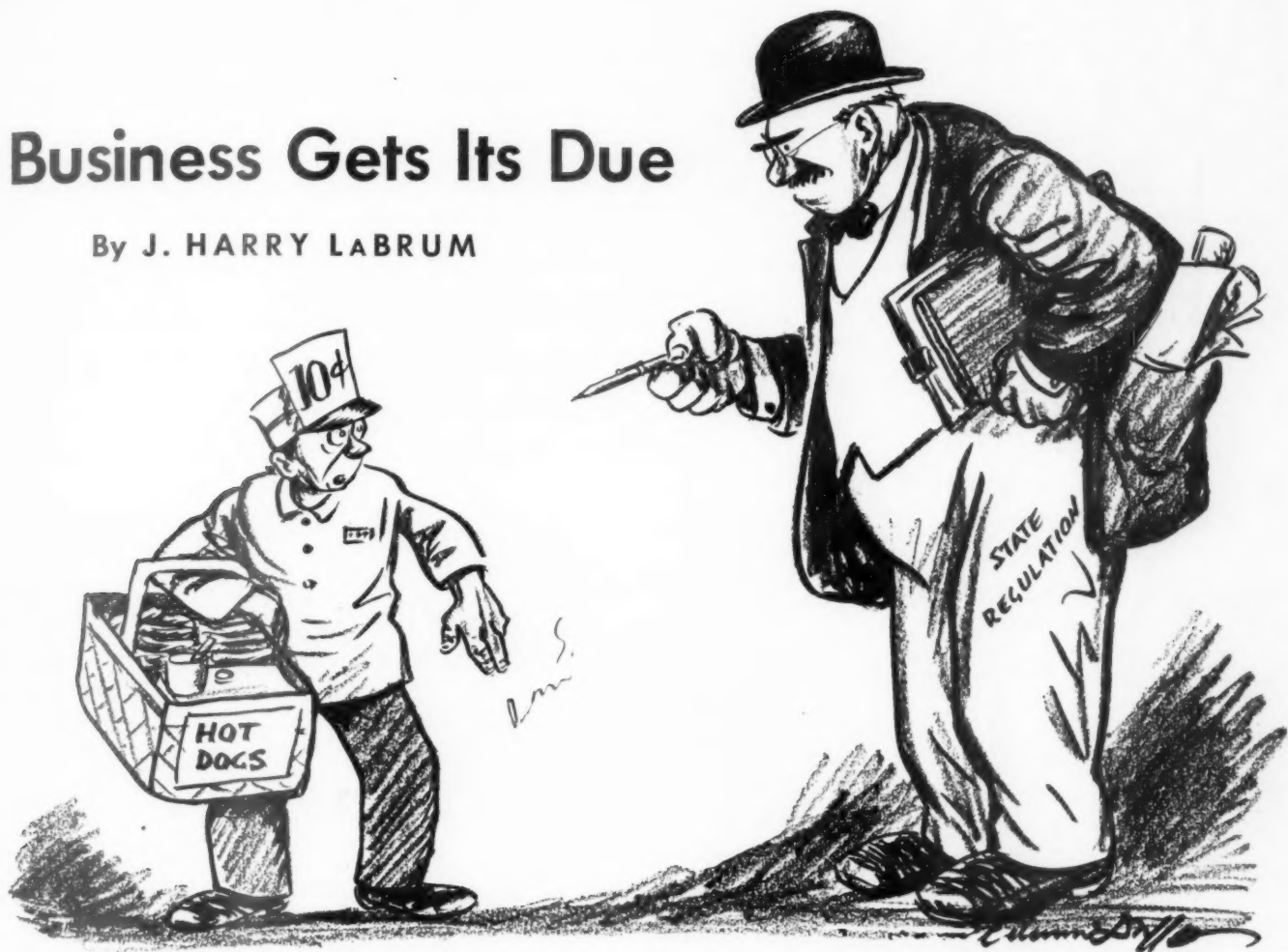
STOP AMERICA WITH PICTURES

It's a picture age—and the Mimeograph leads the world in the technique of stencil duplication of pictures: Far-reaching gain! Illustrations, of almost any kind that can be done in line, are quickly duplicated on the Mimeograph by a simple tracing process. And in color too if so desired. This remarkable advantage may mean much to you. Why not investigate this modern method of duplication? Write A. B. Dick Company, Chicago, or see classified telephone directory for the local address.

MIMEOGRAPH
EDISON-DICK
REG. U.S. PAT. OFF.

Business Gets Its Due

By J. HARRY LABRUM



EDMUND DUFFY

DO WE really want business activity, that is to say "Prosperity"? It does not seem so, because we make it more and more difficult to trade

A PROBLEM of growing national concern is how to stem the tide of laws restricting the functioning of business, little as well as big. Until this year, it was confined largely to what was done by the national Congress. Now the states are getting into line and not even the hot dog stand is being overlooked.

The menace is not confined to the conflicting views of 48 legislatures, although that is bad enough. It lies chiefly in what might be called low visibility. A new law at Washington commands full public hearing. In the states, a man or a corporation may be legislated out of business without advance knowledge.

This may sound absurd until we note two factors that do not apply in the same degree to federal law-making. One is that, though advance information is available, the business man does not make himself acquainted with it. The other is that the state legislator of today frequently does not compare in practical business ex-

perience with the average congressman.

A new era has filled our assemblies with young men whose minds are permeated by new philosophies. They are elected from every walk of life. Most of them are intelligent and eager to learn. Some are brilliant—the statesmen of the future—and I think the vast majority are sincere.

In the very nature of things, however, few of these young men have had direct contact with large scale business operations. What information they have is derived chiefly from books. Many of the books are out of date. They have had no opportunity in the past seven years to gain the experience that would have been available under normal conditions.

Most of these men are honestly try-

ing to discharge the trust of their constituents. Most of them will admit their own limitations, attributable to lack of knowledge. But, just as they will not be dominated by the stereotyped, obese political boss

with the iron hat and fat black cigar, so also they refuse to be persuaded against their philosophies by lobbyists.

Disregarding all questions of ethics, the lobby was an efficient instrument for directing the course of legislation in the past. It worked, for the time being, even though it often led to exposures and restrictive legislation in the long run. The deluge of regulatory statutes today, however, creates more than a suspicion that this method has become obsolete.

At the past session of the Pennsylvania legislature, 2,999 bills and resolutions were introduced. Of that number, 746 were passed and signed by the Governor. At least 500 of these new laws relate to some phase of business enterprise. Here is a partial

list of subjects taken at random from the calendar:

Advertising, civil service, housing, industrial home work, insurance, labor relations, legal investments, loans, motor vehicles, occupational diseases, public assistance, public utilities, business corporations, food and drugs, taxes, trade, transportation, unemployment and workmen's compensation.

One act virtually puts the state into the second-hand motor car business. The bill was sponsored by new car dealers. Their argument was that it would destroy unfair competition. It sets up a commission to fix trade-in allowances for cars, with revisions every 30 days. It provides for a corps

This measure will throw us into an awful mess. We're on a 39 hour week now, but we have to spread some employment over six and seven days. I don't know how we are going to adjust ourselves.

The only thing I could do was to tell him it was his own fault. A local chamber of commerce had followed the bill from introduction to passage. Bulletin after bulletin called it to particular attention. Yet not so much as a public hearing on the measure had been asked by this executive or any other.

When I spoke of this to the sponsor of the bill, he was astounded. He and his colleagues had been led to believe

or no attempt to disclose in advance the possible economic repercussions of drastic regulation.

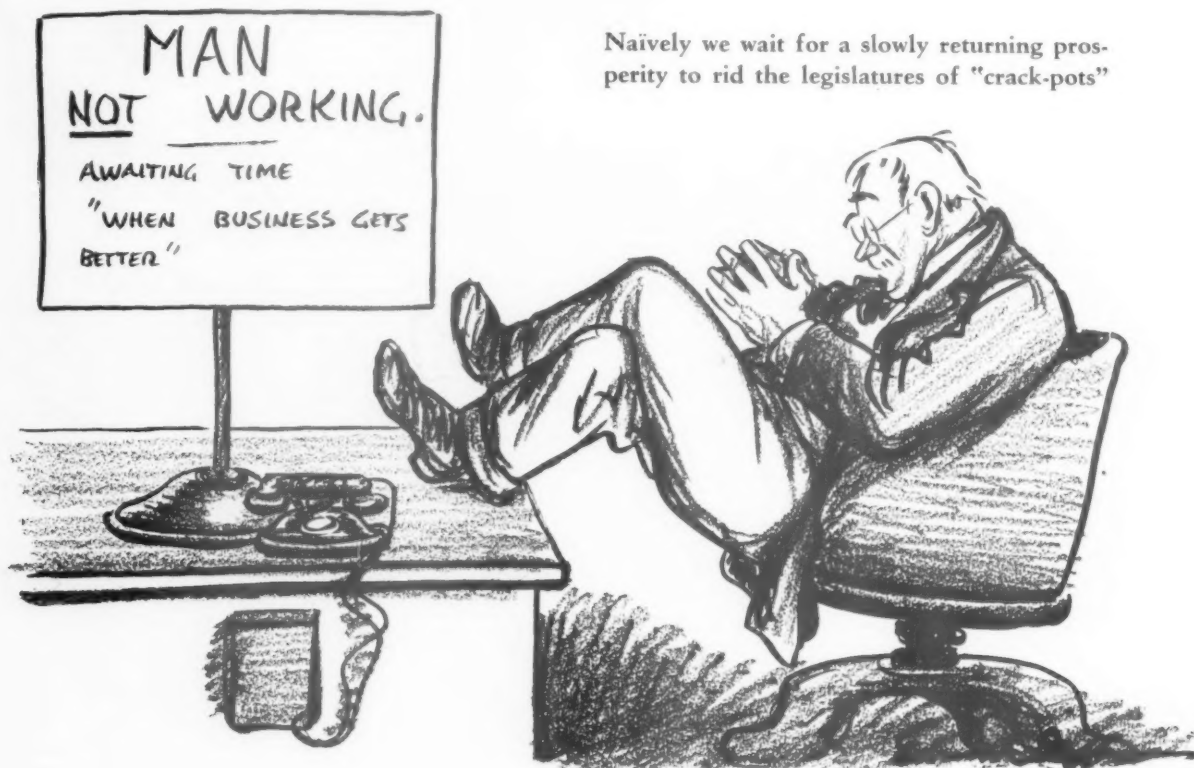
This apathy may be attributable to two factors.

First, business has depended too much on out-worn political methods.

Second, the bitterness occasioned by recent events has brought about a "do nothing" attitude.

Naïvely, we wait for a slowly returning prosperity to rid the legislatures of "crack-pots."

Unquestionably it is true that a number of such men have been elected to public service. Many of them are unfit to represent any constituency.



Naïvely we wait for a slowly returning prosperity to rid the legislatures of "crack-pots"

of appraisers and requires all dealers and salesmen to be licensed.

Obviously, the prices fixed for used cars will necessarily be lower than those which would be obtainable in a competitive market. The effect probably will be to drive purchasers outside the state, where higher trade-in values prevail. The advantages to new or second-hand dealers, if any, are not apparent. Yet this bill was passed without any serious opposition from those whose business may be adversely affected.

On the last day of the same session, a bill was passed limiting the period of employment for all industrial and many commercial workers to eight hours a day and five and one-half days a week. On that afternoon an executive of a large corporation called me. His voice reflected consternation and alarm:

that it met with the approval of business men. Fortunately, this law is being discreetly administered. The damage which might have resulted to the business of my frantic caller will be averted.

Business must speak up

THE fact remains that the law was passed while business executives slumbered. The legislators are aware that measures directed primarily against big business frequently react to the disadvantage of the now popular "forgotten man," the small consumer and the worker. But there is nothing they can do about it if they are not helped.

The only substitute for experience is fair-minded guidance. The business man should supply this, but I maintain that he doesn't. He makes little

It is a mistake, however, to conclude that this element is in the majority. It is a mistake to take it for granted that even they cannot be enlightened.

The business man must awaken to a new era. He must realize that new rules regulate a game in which he must participate if he is to survive. The most brilliant lawyers cannot repair all the damage that may be done after the lobbyists have failed. A bill may be unsound economically and still come within constitutional requirements.

The business man must learn to present legislators with a true picture, uncolored by personal political opinion. The information must be accurate. Attempts at coloration promote distrust. Deceit and misrepresentation do more to harm big business than the efforts of all the cranks

(Continued on page 130)

The New Senate Prosecutors

By CARLISLE BARGERON

SINCE the term "lobbying" can be stretched to cover almost anything, the Senate Lobby Committee is one of the finest vehicles for political advancement. Leadership of that committee has now passed to the two men whom we introduce here

THE LATE Senator Tom Walsh of Montana created what is apparently to be a definite new rôle in American political life, that of Senate prosecutor. Senate investigations, or "fishing expeditions" as their critics always describe them, were not new, of course. Their origin runs back beyond the memory of man. And concurrent with Walsh's celebrated activities there were other investigations by the Senate.

However, Walsh, because of his long and tireless pursuit of the Teapot Dome scandals, came to be known definitely as the Senate prosecutor and established a rôle to which newcomers to the Senate now aspire. There were several



CHARLES DUNN

Senator Sherman Minton of Indiana



Senator Lewis B. Schwellenbach, of Washington

candidates after Walsh's death but the new associate justice of the United States Supreme Court grabbed the job with his celebrated Lobby Committee.

Now we have a new Senate prosecutor coming up, Senator Sherman Minton, of Indiana. The chairmanship of the Lobby Committee has passed to him. Shortly before the Senate adjourned it adopted a resolution giving the committee \$40,000 with which to pursue its activities. It had a balance of \$25,000 on hand, so it starts with \$65,000 and, if it turns up anything, more money will be available.

The dramatization of dirt

AS THE Senator has been sojourning in Europe, agents of the committee have been gathering up material which can be dramatized at sessions of the committee this winter. Their particular pursuit is those who were active at the last session against the so-called reform of the Supreme Court and the wages and hours bill, influences that campaigned against these measures, the source of funds used in the fight, the motives of the various groups.

It is doubtful if anything will be developed that the senators and the Washington newspaper correspondents do not already know and which has not from time to time appeared in the newspapers. But it is the new prosecutor's job to dramatize these things in such a way that they will make a public impression that they would not otherwise make.

There is no better vehicle to political fame than the
(Continued on page 119)



ALL PHOTOS BY BURR HARRISON

Norris Dam, mecca of tourists whose expenditures provide the town of Norris with business

A Contrast in "Perfect" Towns

By CHARLES STEVENSON



Designed as a farmers' market, this building houses the drugstore

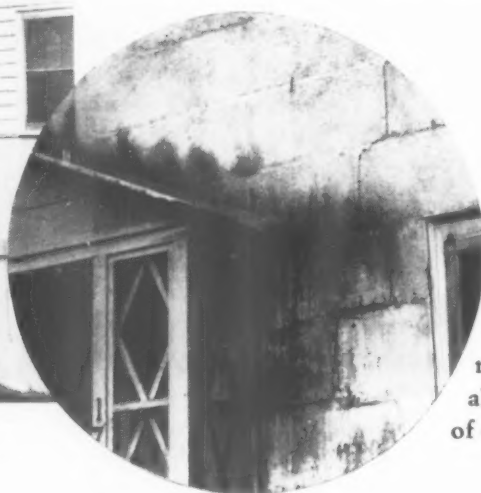


There is sympathetic treatment of the site, room for recreation. . . .

No. 1—Federal Showcase

INSTEAD of spending \$1,500,000 on a temporary construction camp for Norris Dam, the TVA decided to invest twice that amount and solve the world's ills.

In the Tennessee hills, 22 miles north of Knoxville headquarters, it would create a beautiful environment for poor folk from submarginal farms. For six hours a day at high wages the men would build the dam; their leisure would be occupied with uplift, subsistence farming and vocational training; their children would attend a model school; then, as completion of the dam brought cheap electricity, industries would be established to absorb the workers as artistic basket makers, weavers



. . . but some of the cinder and cement block houses already show signs of decay

and potters, and the new order would be complete.

This, according to TVA's advance publicity, was to be the idealistic town of Norris, with TVA "guiding the native people into forming not merely a narrow-lived, self-sufficient group of individuals, but a body of highly skilled workers contributing their full share, and even more, to our national unity and well-being."

Enthusiastically, TVA bought 4,500 acres and began planning for a town of "four to five thousand persons." Ultimately, a "complete town center" would include a farmers' market, public hall, hotel, stores, bus station, administrative building, service garage "and other community features as the need arises." The temporary dam shops were located "to serve as the nu-

cleus for an industrial section." Each residence was to be on a third of an acre with a family garden; additionally, on 2,000 acres of "greenbelt" hemming in the town proper against any encroaching ugliness, there were to be four-acre tracts so each worker could promote "a community based upon the orderly combination of industrial work and subsistence and farming."

Indeed, Norris was to be a small showplace of all the benefactions the Government envisioned for the thousands who populate the valley.

"When Norris Dam is finished, bringing enlarged resources of cheap power to help develop the natural resources of the valley," TVA officials wrote, "the town of Norris will be ready to demonstrate the advantages of combining new industries with new

housing in new communities planned for modern living."

In October I made the last of a series of visits to Norris, three and four years after all of those statements had been made a matter of record, four years after inception of the town, 19 months after completion of the dam.

But, whereas the *Journal* of the National Education Association as far back as 1934 had reported that negotiations were under way for industries, there only was a drug store and a grocery housed in the building which started out to become the farmers' market, a filling station, a restaurant, a creamery, a barber shop, a beauty parlor, and a room where private individuals sold mountain craft.

There had been no additions to the
(Continued on page 112)

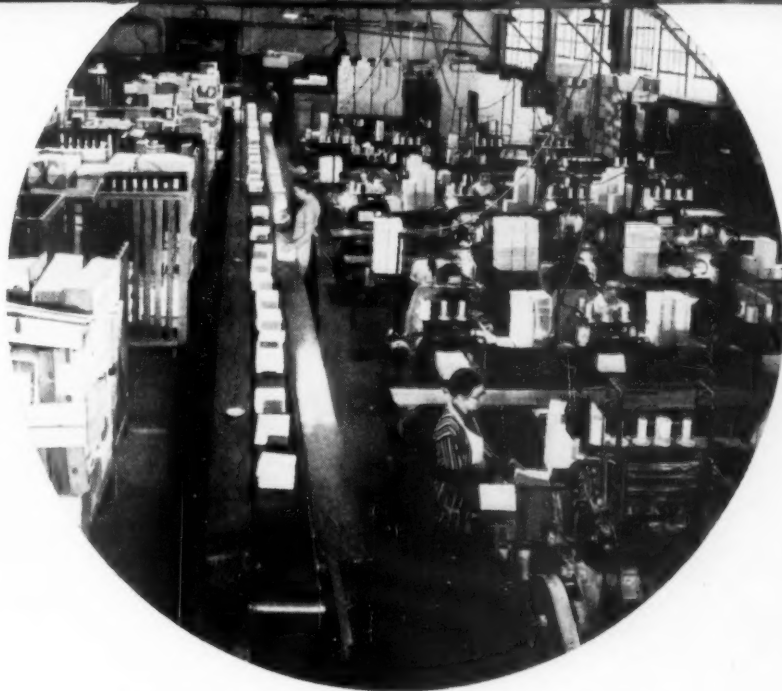


No. 2—Industry's Yardstick Town

TWENTY-TWO years ago a band of curious natives came down to a saucer-like depression in northeastern Tennessee's mountains and gazed in awe as a train rocked by to signalize completion of a railroad linking them with the world. The land on which they stood was cow pasture. As TVA Director A. E. Morgan says, "there were probably hundreds of spots in the Tennessee Valley that were just as good." It could boast no unusual "strategic location" or "unique natural resources."

Cities within 20 miles seemed to preclude industrial or trade development. The chief reason for the railroad was to transport coal from more remote mines to the north and even now only two passenger trains pass by each day. Indeed, 22 years ago this site was—and it still is—ideally suited for just another whistle stop. Nonetheless it has become one of the nation's most unusual cities.

The last census gave Kingsport, Tenn., a population of but 11,914; 12,000 more live just



The saucer-like depression where Kingsport stands boasts no unusual "strategic position." Below, a view of the Kingsport Press, whose workers are natives

outside the corporation limits, yet the town's sky is black with the smoke of at least 17 big industries which employ 8,000 workers from the city or nearby subsistence farms; its more than 175 retail establishments, supported by a monthly industrial pay roll of between \$750,000 and \$1,000,000, did \$6,000,000 business even in the worst year of the depression.

"There never has been an inch of ground in Kingsport for a sweatshop," the man who was auditor for its development company told a university sociological conference. "... So it seems to me that for 15 to 18 years we have been doing in a small way some of the things which the Government plans for the Tennessee Valley."

But, of course, that was in 1935 be-

fore the TVA ideals had gone sour at Norris.

Kingsport has reduced its tax rate to \$2.15 assessed against 65 per cent of the value of property, compared with the national average of \$3.02; yet its annual revenue receipts even back in 1932 were \$2.74 *per capita* higher than the national average for its population category. That indicates prosperity. So does the fact that it scarcely felt the depression, that every Saturday thousands of cars travel its main street, that an estimated 80 per cent of the people own their homes, and that, on August 1, the cumulative total of taxes overdue from previous years was only \$28,619.

Five years ago Kingsport obtained federal aid for a sewer project which

would have cost it \$25,000, but a similar project now languishes because relief labor is not available. The two items represent the city's sole benefits from the U. S. Treasury. Only 50 to 60 families require assistance annually, and they are provided for by a Community Chest of about \$25,000 which invariably is oversubscribed.

A community on its own

"WE even turned down a federal housing project for 250 houses," said J. Fred Johnson, one of the town fathers. "As for relief, what little is needed is paid for locally."

An industrial town if there ever has been one, yet Kingsport has had only one insignificant strike.

"Yes," a local historian told me, "and in the end the man closed up his factory and went back North. I don't think anybody was unhappy to see him go, either. He didn't treat his help right."

That statement, from one whose interests lie with the town's industrialists, is symbolic of the plan by which Kingsport has been developed. For, like the federal Government's Norris, its Tugwelltowns and its resettlement projects, Kingsport is a planned community. The basic difference is that the planning and the development are



The downtown streets are lined with cars which must belong to the workers

A group of employees' cars in the parking lot provided by the Tennessee Eastman Corporation



Pay day brings workers to the town's bank which has \$4,000,000 in deposits

the result of private initiative, the spending of private money. It especially is interesting in view of recent official statements indicating a federal movement looking to industrial decentralization.

The idea has been to create an industrial town wherein the problems of industry would be solved. Industries were to be diversified and independently owned so that, if one corporation

(Continued on page 124)

The Temptation of Jonathan

By GEORGE SYLVESTER VIERECK



"NO man can be saved by a miracle," the Goddess said, "unless the miracle takes place within himself. If you want social improvement, you must pay the price."

gentleman with the gray spats took Jonathan to a high skyscraper overlooking the city.

"Did you bring me up here to show me the view?" grumbled Jonathan, trying to regain his ease with a jest. But the stranger only smiled and made a curious sign in the air with his cane. Suddenly the scene changed. The city Jonathan knew melted away.

"Am I dreaming?" he said to himself, "or am I seeing things? I'm not

they saluted a chief with sad, heavy-lidded eyes and small moustache.

"Must they all goose-step?"

"Yes, the obligation is universal."

"Huh,—militarism," said Jonathan.

"It is no longer militarism, Jonathan, but service, a service gladly rendered to the community."

"How in hell does he know my name?" Jonathan murmured to himself.

"Precisely," said the stranger in reply to his unspoken question. "All things are known where I come from. Take another look."

Jonathan looked. And he saw young men like himself singing to-

HE WAS a very impressive gentleman, suave, and immaculately dressed, and he carried a cane with an ebony handle—perhaps to conceal a slight limp as he walked. His monocle and his pearl-gray spats seemed a little outlandish to Jonathan. He marked with slight annoyance the striped trousers, the cutaway and the silk hat. But something in the coal-black eyes like the dim reflection of far-off fires made one forget his sartorial eccentricities. Jonathan noticed the pallor of the man's face, intensified by his foppishly combed black hair.

The stranger stopped him.

"Maybe," Jonathan thought wistfully, "that swell's got a job for me or maybe he'll buy me a meal."

Jonathan was hungry. It was no fun to be jobless. He did not relish the thought of relief. The WPA had eluded his efforts to inscribe his name on its roll. He was beginning to feel that something was wrong with his world.

The stranger, scanning Jonathan's features sympathetically, beckoned the young man to follow him. Jonathan blushed. He resented the imperiousness of the gesture.

"What does he take me for? I'm not a bum, even if I ain't got no job."

Half imploring, half mocking, the stranger repeated the invitation. Driven by some uncanny compulsion, Jonathan obeyed. Maybe a job was waiting for him after all. And the

as hungry as all that—." And Jonathan saw a pleasant land of winding rivers, smoking chimneys and vine-covered mountains, crisscrossed by monumental roads.

"Young man, may I direct your attention to the fact that in this land every mother's son is at work?" said the stranger.

And suddenly the cane became a telescope and the stranger bade Jonathan look, and Jonathan looked, but the stranger held the telescope firmly in his own hands.

And Jonathan saw thousands of boys in field-gray uniforms, goose-stepping proudly. United by the spirit of comradeship



Half imploring, half mocking, the stranger beckoned Jonathan to follow

gether, carrying picks and shovels, building highways, draining ditches, and wresting new wealth from the reluctant soil; and he saw eager girls, too, busy with multiple tasks in house and garden.

"You see, my dear Jonathan," the stranger explained, "all these young fellows and girls must give a year of their life to the State. The banker's son and the drayman's son, butcher and baker and candlestick maker, all—without exception—learn the dignity of manual labor."

"Did you," Jonathan asked, "visit our CCC's? I'm half thinking of joining up."

Eliminating sectionalism

THE stranger, smiling superciliously, once more held out the magic glass. Jonathan saw the people of the South and the people of the North, and the people of the East and of the West in the land of the goose-step and efficiency, joining together like children dancing.

"You see," the stranger commented drily, "I have wiped out sectionalism."

And again Jonathan looked. And he saw millions of hands cleaning up factories, painting the walls, opening the windows to let in air and sunshine, and fashioning gardens where the workers could have their leisure. And he saw tables where workmen and bosses had their meals at a common table.

"These people," the gentleman in the cutaway said, "have been taught that employers and employees are not natural enemies: both must serve the State. It's the common weal, not self-interest that counts."

"But suppose," Jonathan retorted, "some of the bosses refuse to treat their workmen as human beings?"

"Such employers," the stranger replied sarcastically, "have plenty of time to concentrate upon the problem in one of the famous camps—called 'concentration camps' for that reason."

The stranger laughed, enormously pleased with his pun.

"There is," he continued, "much more to see. Since the workman will not go to the art museums, I bring art exhibits to his factory. Since he will not travel, and lacks the means if he would, I take him to every part of his country and to strange countries that he has never seen."

And Jonathan saw a fleet of ships, carrying workmen and their families to sunny lands where laurel and myrtle bloom.

"Who gets the swell cabins?" Jonathan asked.

"And the least shall be the first. The best cabins are given to those



least able to pay. There isn't room for all, not yet, but I amply provide recreation for those who must stay home."

And at a sweep of the stranger's hand Jonathan saw huge stadia, alive with athletes—young men and old men, and boys and girls—engaged in all manner of sports.

"I summon them all," the stranger explained, "to teach them the secret of 'strength through joy.'"

"And if they are sick?"

"I don't let them get sick. I send the country lads to the city and the city boys to the farms to quicken their minds and their bodies."

"My father had a farm," Jonathan said, "but it was mortgaged to the hilt and we lost it."

"I do not permit my farmers to mortgage their land."

"That sounds good," Jonathan said. "I wish I knew more about it. But won't you let me hold the telescope for a minute?"

"Oh, no, no, no," said the stranger.

But Jonathan had already seized it and he looked, and this is what he saw:

Outcast school children

A SCHOOLHOUSE with children, but they were not all happy. A small group of boys and girls with tear-stained eyes huddled in a corner. No one spoke to them; no one played with them. When the teacher addressed them, an inimical expression crept into his Aryan features. And when the other children rose proudly to salute the flag, these children— forbidden to honor the country that bore them—sat listlessly in their corner.

"What have these poor kids done?" Jonathan asked.

The stranger replied: "They have Jewish parents."

"Oh," said Jonathan, but he did not understand. "Where I come from we all played together and went to school together and nobody bothered much if we were Jews or Gentiles."

"That," the stranger replied icily, "is race pollution. Give me the telescope now."

But Jonathan took another look. He saw men of God with saintly demeanor walking gravely and sadly across the border; and great doctors, carrying their little satchels and their experience into strange lands. And wise men, with unhappy faces, abandoning their goods but not their wisdom, to go into exile with their wives and children.

And in the distance he saw a pyre, and it seemed to him as if his nostrils were stung by the odor of burning books.

"I don't like that very much," he

said. "What crime have those guys committed?"

"They have committed the crime of thinking forbidden thoughts," the stranger explained. "Besides some of them have grandmother trouble."

"What is grandmother trouble?"

"One of their grandmothers was a 'non-Aryan'."

That did not seem to make sense. Jonathan crinkled his forehead.

"Oh, I admit," the stranger conceded, "my system is not yet perfect, but it will be perfect when I have purged the land of all aliens. However, I have other things I can show you."

Again he waved his wand, and Jonathan saw a magnificent city rising to heaven on seven hills; he saw mighty domes and white statues glistening in the sun, and up and down the streets he saw, marching and singing, boys and young men saluting a scowling man whose features he recognized from the movies.

"I think for all"

"THIS, too," the stranger said, "is my kingdom. When I took hold of it, everyone lolled; now everyone toils and," he drew himself up proudly, "every train runs on schedule time. I no longer permit the idle chatter of Parliament; the industrial and political life of the country runs on schedule as regularly as my trains. I have incorporated everything in accordance with a theory too intricate for you to understand. I plan for all and I think for all."

"I'd rather think for myself," Jonathan mumbled.

"Think for yourself and slave for yourself," snarled the stranger, and Jonathan remembered that he was hungry.

Excited by his own enthusiasm, the gentleman in the spats incautiously moved the telescope a little and Jonathan saw a sight not intended for him. It was a woe-begone group, mostly men with high foreheads, thinkers and dreamers, eating out their hearts on a desert island.

"Who is that fellow?"

Jonathan pointed to a scholarly figure, fingering a huge volume, whose eyes ran up and down the page continually, like imprisoned squirrels.

"That crank? He is a crazy old teacher looking for two words that I have struck from the dictionary."

"What are they?"

"'Freedom' and 'Individualism'. They are not needed under the new dispensation."

"Sez you," Jonathan muttered under his breath.

"And who are these fellows in chains?"



Jonathan took another look. He saw a pyre and it seemed to him as if his nostrils were stung by the odor of burning books

"They are foolish people who disagreed with me. But now no one questions my word!"

"You have no enemies—?"

The stranger chuckled. "My enemies are either dead or in prison."

"Well," Jonathan mused, "there is much that I like in this country, but—"

He did not finish the sentence.

"It is obvious," the stranger said, somewhat upset by the young man's recalcitrance, "that it is hard to satisfy you. But I have something to show you that may please you more." And again he made a few signs with his hands and murmured some weird abracadabra.

Straightway before Jonathan's eyes there rose high towers with golden cupolas. On the huge square, facing the golden citadel, young men and women filed past a strong, silent man whose fierce mustachios crept across his face like a black caterpillar. After saluting him with clenched fists, they entered a tomb to pay solemn tribute to a painted mummy in a glass coffin.

A land for youth

"THESE boys and girls," Jonathan reflected, "seem to be happy."

"Of course," the stranger interpolated, "I have liquidated their eld-

ers. The world belongs to them. It belongs to you. You cannot imagine," he continued, "in what a dilapidated condition I found this country in 1917. I have torn it straight out of the Middle Ages and catapulted it into the twenty-first Century. You can almost hear the whir of the wheels, the boom of innumerable hammers and the sound of myriad sickles as they cut ripe wheat."

All the while the stranger, made wary by experience, was holding on to the enchanted telescope. Jonathan stepped on his polished boots, as if by accident. For a moment, while the stranger readjusted his temper and his spats, the telescope was in Jonathan's hands. And Jonathan suddenly saw a red brick wall.

Against that wall were lined up rows and rows of men of every description, fine and foul faces and indifferent faces; some had been the most intimate comrades and collaborators of the painted man in the glass coffin. And, one by one, these men toppled over, and blood oozed out of their veins until it formed a rivulet, and from everywhere other rivulets joined and became a river, and the river became a mighty stream, and the stream overflowed its banks until it flooded the land.

But the man with the black mous-

(Continued on page 108)

I Joined the

my fellow union members in establishing a picket-line to prevent additional members of the rival organization from boarding the ship. A force of 40 Baltimore city policemen kept us company during our vigil.

Signing in two unions

THOUGH I had received a berth in the meantime, I afterward learned that passengers and mail scheduled to sail for France aboard that liner were transferred to another line at New York while the ship was held at her dock ten days. Additional members of the other union eventually were spirited aboard and the vessel sailed.

During my period of waiting I became impressed with the suggestion that the rival union was the stronger. For that reason I decided to join it, too, and ac-

At headquarters of the rival union I was greeted by a surly individual who wanted to know what I wanted

EARLE B. WINSLOW

I AM A football player and a member of the boxing squad at a Washington, D. C., University. The famous Red Grange once peddled ice as a means of keeping in condition through the summer. I thought I would like to be a sailor.

"First, you'll have to join the union," advised a friend who had once gone to sea. "Ship operators no longer dare to hire any but union men. Just go over to Baltimore and sign up. The union will then put you on the eligible list and see that you are shipped out in proper order."

At Baltimore I found the offices of a seamen's union. I simply said that I wanted to ship as an "ordinary seaman."

The union representative requested an initiation fee of \$10 and handed me a receipt and credentials as a member of the union in good standing. It was suggested that I "hang around" the sailor's hall ready for an immediate call.

The next day while I was in the union office a phone call came from the agent of a steamship company. He requested that the union provide a number of seamen to fill out the crew of one of the company's liners.

"Mr. Agent," said the union representative, "until you take that rank-and-filth off your ships you won't get a man. We'll tie up every one of your ships on the coast. If you think we're bluffing, just try us."

Though that quotation is practically verbatim it would be impossible for me to reproduce the foreign accent of the union man. I still do not know whether he was of Russian or Polish extraction. In any event, he spoke English with the greatest difficulty.

It developed that the majority of the liner's crew were members of a rival union. These men refused to leave the ship and the opposing union would not supply the deficiency in the crew. In addition, I was called upon to join



Union to See the Sea

As told to GEORGE H. BARROWS

VACATION adventures of a college football player as a sailor aboard an American vessel

cordingly went to their offices. Here I was greeted by a surly individual who wanted to know what the hell I wanted.

I explained that I was a college football player who wanted to ship out for the purpose of keeping in physical condition.

"Capitalist! That's what you are," he shouted. "Taking a boat ride for a lark. Taking bread out of the mouths of guys who do this for a living. Robbing their wives and children of their lousy pay. Smoking a cigar, ain't you? Just another damned millionaire taking away a sailor's living."

I can stand just so much and was about to take a sock at this guy when in walked the boss of the outfit.

"Pipe down, Joe," he ordered, "and sign this guy up."

Joe took my ten bucks, put my name down in a book and handed me a membership card. I noticed he put the \$10 in his pocket.

I now, ostensibly, was a qualified member of both unions and my name appeared on two shipping lists. Except for my natural aversion to the character called Joe I had no partiality for either union. If I could have gotten a job without belonging to either

I would have been equally satisfied.

It so happened that my first call came from the organization I had joined first. For that reason I afterwards felt a sense of loyalty to that group and was pleased to find that my shipmates-to-be were all similarly affiliated.

Because of future remarks which I may make I will not identify my ship by name. However, she was a freighter of some 11,000 tons and had just returned from a foreign voyage lasting approximately four months. Two or three men had left the ship at Baltimore and, with several others, I clambered up the gangway from a Baltimore grain dock to take their places.

I had visioned a long, dark, narrow room lined with tiers of bunks as my sea-going abode. Instead, I discovered that I was to share a pleasant, light



One of them was so drunk that he had to be hoisted aboard in a cargo sling

and airy stateroom with only two other men. Instead of the filthy, gray blankets which I had expected to endure I found the bunks covered with clean sheets. Incidentally, clean sheets were issued every other week. It is also interesting, perhaps surprising, to note that during my voyage I saw no signs of lice or bedbugs. Occasionally a cockroach would scurry along the wall but I have seen them in the finest of Washington hotels and restaurants.

Extra work in sailing

I WAS assigned to the watch from 12 o'clock to four but was turned-out to assist in casting-off, battening down hatch covers and clewing up the cargo booms as we sailed on the evening tide. This may be the proper point to interject that ship-operators are allowed a free hour's service of full crews

and coleslaw; all the bread and butter desired, pudding and coffee.

This is a standard evening meal as today specified on American ships. The meats are varied from day to day as also are the vegetables. Noon menus aboard my ship consisted of a soup; choice of two meats; one or two green vegetables; pudding, pie or cake; tea or coffee and all the bread and butter that one could eat. For breakfast we were served bacon or ham with eggs, any style; cereal; toast or hot bread; canned or fresh fruit and coffee. All milk, of course, was condensed and, at a distance from port, canned vegetables took the place of fresh.

The only possible criticism of meals was the table-manners of some of my shipmates and their insistence upon fried foods rather than variety in method of preparation. . . . I was never seasick!

After eating, it was the custom of

cordance with regulations passed while the ship was in foreign waters.

On the way to New York I had an opportunity to become acquainted with a seaman's duties. These consisted mainly of cleaning holds and decks, polishing bright-work and standing watch. A watch is divided into two two-hour periods with 15 minutes allowed for coffee in between. For the first half of my watch I was stationed in the bow of the ship. I suppose that if I had sighted an ice-berg or some other menace to navigation I would have been expected to tell some one about it.

On the other hand, I was given no instruction and so just watched and followed the lead of my predecessor at the station. Like him, when the ship's bell sounded the hour from the bridge I would glance back at the port, starboard and mast lights, sound my bell and call to the bridge, "All lights burning clear." The second half of my watch I was stationed amidships to await any possible orders, make coffee and pass my time reading.

On the first day at sea we were told we would have a boat drill and that everyone should report to his boat station at the sound of the alarm. I had to ask a shipmate where my station was.

"Look at the head of your bunk," he replied.

There I found a printed number and a detailed direction to my boat station.

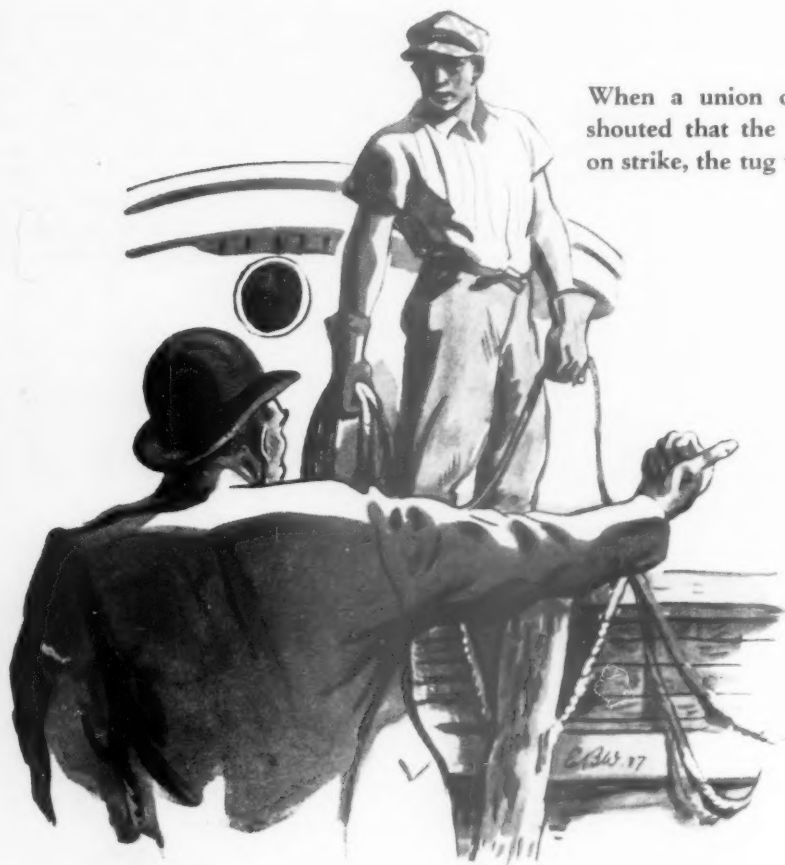
Union card shows qualifications?

IN justice to the ship's officers I should explain that every qualified seaman knows where to find such information and what his duties are. I had signed the ship's articles as an ordinary seaman and was presumed to know my duties. I believe that the Steamboat inspection service of the Department of Commerce is supposed to verify the qualifications of seamen. On the other hand, I have reason to suspect that it is a matter of policy for such inspectors to accept the word of union representatives in regard to men. If they do not, the inspectors become objectionable and some method is found to place their jobs in jeopardy.

In this connection I believe it important to note that a certain member of one of the unions holds both an Able-bodied Seaman's certificate and life-boat certificate. I know that he is not qualified to either in accordance with

(Continued on page 104)

Inexperienced men may lawfully be shipped as Ordinary Seamen. A lower classification is that of "deckboy." Although a man may originally ship as "ordinary seaman," if he accepts the classification of "deckboy" he must serve six months before qualifying for the berth of an ordinary seaman.



When a union organizer shouted that the ship was on strike, the tug withdrew

when docking or sailing. With this exception a sailor works but eight hours in every 24 or receives extra pay for overtime work.

Not knowing my possible susceptibility to seasickness I had intended to eat lightly. I also anticipated that I would have to be exceedingly hungry to eat the food provided. I was agreeably surprised when the supper bell rang. For the evening meal we were served one hot and one cold meat; potatoes; carrots; a salad of tomatoes

sailors off-watch to sit around and talk. At such sessions, while proceeding up the coast toward New York, I was told how fortunate I was to be aboard such a fine ship and under the command of the finest officers a sailor could ever ship with. The men who had been aboard the vessel for nearly four months seemed entirely satisfied with conditions. Most of them intended to continue aboard after a brief lay-over at New York where shower baths for the crew were to be installed in ac-

I Feel Like a Man Again

By W. O. SAUNDERS

A MAN who failed after running his own business for 30 years finds real joy in working for a salary and letting somebody else shoulder management's cares

"**S**AD! Too sad!"

Such was the solemn comment of one of my oldest and best friends when I told him that my business had gone on the rocks; that there was a likelihood of my creditors taking all; and that I would have to start life all over again at the age of 53.

My old friend shook his head gloomily and I thought I saw a mist in his eyes.

That was eight weeks ago. Today I am beginning to feel that life has only begun for me and that I am going to have a lot of fun from now on, with a freedom from those multitudinous cares of business ownership and management that had plagued me for nearly 30 years. My old friend has wasted a lot of pity. Today I know the freedom of the man who works for another, shorn of all the cares that weigh upon the man who makes work for others and is charged with the responsibility of meeting a weekly pay roll.

For nearly 30 years I had been thinking of myself as my own boss. But I wasn't a boss at all; rather I was a slave to business, a slave to my public, a slave to Government, a slave to my employees.

Taxes, labor troubles, the negligence and stupidity of employees, the exacting and, often, unreasonable demands of customers, all conspired to impair my digestion, disturb my sleep and make me prematurely old. I could seldom find time for a little vacation without combining business with it.

Now my evenings, Sundays and holidays are my own. I am on the other fellow's pay roll and not having to sweat blood every week digging up



GEORGE LOHR

From a meek employer who couldn't call his soul his own, I am emerging into a state of confidence and well-being

a pay roll for the other fellow. And I like it fine.

My family will not fare so well for a time; in fact I have to watch my personal expenses with care. I am living in a cell-like room in a small hotel; eating one egg and one slice of bacon at breakfast and making out often as not with a pint of buttermilk for lunch. But I am not wanting for food and I am feeling fine. And I don't have to watch my waistline any more. A few months ago I was worrying over the prospect of growing too large for my clothes; now I know that I am going to get by another

year with the clothes that I have. I can't write checks any more.

But, come to think about it, hundreds of the checks I have written in the past and passed out to members of the family or used for personal extravagances, had no other basis than credit. I can't remember a time when every dollar I had in the bank didn't belong to my creditors. Often as not I had money for extraordinary personal expenses or the purchase of a new car because the money that appeared to my credit in the bank represented accounts payable.

If I stopped to think of this in



If more of us studied ways to make ourselves more useful to our bosses, wouldn't that be the way to better times?

the past, I promptly dismissed what should have been an arresting thought with a feeling that I had a substantial business property back of me and enough life insurance to pay me out should I die. I never thought what would happen to me in event of financial reverses or a physical breakdown.

Shorter work hours

A 40 HOUR work week has a meaning for me now.

With a business of my own, I never could get my work done in an eight hour day or a five day week. Usually I was one of the first down in the morning and the last to leave at night. And often when my employees were dancing, playing cards, joy-riding or at the movies in the evening, I was back at the office finishing unfinished business, laying out the next day's work, catching up with neglected correspondence or answering some perplexing questionnaire from the Bureau of the Census or some other department of Government.

Now I don't have to answer to the Census Bureau, the Department of Commerce, the Internal Revenue Bureau or any one else.

The National Labor Relations

Board, the CIO and A. F. of L. have no more terrors for me. I can look any bureaucrat or labor organizer in the eye and tell him to go to hell. From a meek and skittish employer of labor who couldn't call his business or his soul his own, I am emerging into a state of confidence and well-being.

I can hold my head up without fear of exposing it as a target.

But last night a new fear crept into my heart just as I was about to drop to sleep in my new found freedom and care-freeness. I am an employee now; my new found happiness and security depend not only upon my ability to do a reasonable satisfactory day's work; they depend, absolutely, as well upon the ability of my employer and other employers to carry on.

I had to be blasted out of business to come to my senses. Suppose my employer and other employers don't wait to be wrecked but just quit while the quitting is good? What then? It is a disquieting thought.

You see, as a laboring man now I have but so recently emerged out of the capitalist class that I am all too acutely aware of the capitalist's sorrows.

If my employer is taxed out of busi-

ness, my job goes with his business.

If so many restrictions are placed on his business that he can't reasonably expand, then what is to become of my chances of promotion?

I think I shall promote a new federation of American labor devoted to the selfish object of making our jobs more secure by friendlier and more helpful relations to our employers. If every one of us on somebody's pay roll was forever studying ways to make himself more valuable to his employer and making life easier and sweeter for his boss, wouldn't that be the sure way to higher wages, better working conditions, better hours and a more abundant life for all of us? Isn't it a fact that the workers who *do* get ahead in their jobs are the chaps who are doing just *that*?

Trouble for employer

IT SEEMS to me that too many chaps affiliated with existing labor organizations are primarily interested in stirring up trouble for the employer. I do not wish to be unkind or unfair to the working class to which I now definitely belong, but it has been my observation and experience that labor generally provokes most of the headaches of the business executive and industrialist.

Not the least of my satisfactions in becoming a hired man again is relief from the vexing problem of responsibility for my own hired men, not all of whom were ever capable of, or interested in, giving me the alert and intelligent service essential to the conduct of a business in this age of efficiency and super-service.

I can now appreciate the philosophy of a young man in my town who closed out his grocery business to cast his lot with a chain system.

"I am happy for the first time in my life," he confided to me. And he went on to say:

I started life as a clerk in a neighborhood grocery when I was just out of high school.

My employer was having a struggle to get along and there was no chance for promotion in the business. I saved a little money and built up a little credit by making an impression on the jobbers and wholesalers who sold to my employer. They had come to look upon me as a good manager and a man upon whom the success of the business depended.

So I started a little store of my own. I featured nationally advertised brands and paid strict attention to my fruit and vegetable displays. I sold only fresh eggs, the best creamery butter, good cheeses and fresh roasted coffees. I built up a nice business. But I couldn't make money.

Deliveries were expensive. Mrs. Thingumadoodle—and you could multiply her

by 20 and more—never discovered that she was out of matches until she started to light the gas burner for breakfast, or that she was shy a lemon for the tea until the family sat down for dinner. Her thoughtlessness necessitated a delivery of a box of matches or a couple of lemons at the peak hour. I figured my deliveries cost me five cents each. And I lost a lot of money through charge accounts.

When the depression came I had to lay off help, reduce inventories, otherwise tighten my belt, and my business was looking pretty shabby.

I was lying awake nights wondering how I would pull through, when I learned that a chain grocery system had an eye on my stand. I at once got in touch with the district manager of that chain and offered to give up my lease on my stand if his company would give me a job.

I didn't ask for a manager's place; I was willing to start as a clerk and work up.

I had been watching these chains and had seen the possibilities for promotion in them—possibilities that just don't exist in a one man neighborhood store.

A wide-awake chap can start in one of these chain stores as a salesman, work up to assistant manager, then to manager, and if he can deliver the goods a district superintendency is open to him. And he can keep right on going up if he has it in him.

Well, I am already assistant manager of this store and the district superintendent tells me that the company is opening a store in another town and that I will be made manager of the new store.

My salary at present is bigger than my net profit in my own business in the best year I ever had.

And I don't have to worry about sales taxes, franchise taxes, license taxes and keeping books.

Yes, I am happy today for the first time in years and feel that I'm really going to town.

I recall with startling clarity how much that young grocer said to me perhaps two years ago. It didn't mean much to me then, but I can appreciate how he felt now that I am in the same boat.

And speaking of boats, after paddling my own tricky, easily capsizable canoe for so many years, how good it feels to occupy a berth on a seaworthy ship with a Master at the helm!

From despair to a job

A FEW weeks ago I was like a man overboard with no life raft in sight, or a man in a hole with the sides soaped and no ladder available. My world had come to an end for me. There were nights when I could not sleep for worry over what appeared a desolate future. I would slip out of bed and prow around the house or try to read. I contemplated suicide; and was deterred only out of consid-

eration for the feelings of my wife and children. That was just a few weeks ago; and now I find myself sitting on top of another world.

But I didn't lie down when my own little world crumbled and left me sprawling.

It would have been easy to have done that. I got a grip on myself and began to look for a job. I was aware of the paucity of jobs in my own little town, so I began to make inquiries in other towns, beseeching every influential friend I had everywhere to be on the lookout for me. Soon I was rewarded by an offer of a part time job until I could find something better.

I grabbed the first offer and didn't wait for something bigger to turn up all at once. In this I made no mistake; there are great possibilities in even a



"A wide-awake chap can start at the bottom and keep right on going up if he has the right stuff in him"

part time job if a man determines to make them. I have found it a good plan in life not to wait for a thing to happen to me, but to happen to it.

I know, too, that the worst thing that can happen to any man is prolonged unemployment; he gets lazy, his morale is weakened and his unemployment record is against him. I have a suspicion that business is becoming more suspicious of the unemployed all the time; business is looking for the man who is doing a good job.

Why a Planned Economy

By L. M. GRAVES

THE PRESENT Administration has been, from the first, identified with what is loosely termed "economic planning." This is not a particularly new idea and, so far, its meaning has never been made clear. It has been associated with many diverse projects—conservation and "scientific" utilization of natural resources, subsidized electrification of farms, managed money, "control" of agricultural output, resettlement of "stranded" population groups, corporation baiting, and vague schemes for improving the lot of the "submerged third."

A MAN once associated with the business regimenters and who even went so far as to draft a "plan" of his own distinguishes between theory and practice



There have been so many individual trees that no one could see the forest of the Planned Economy.

There have, as a matter of fact, been many half-baked and undigested ideas floating around Washington, and official objectives have never been thoroughly formulated. Today, however, a movement is afoot to set up some definite and comprehensive objectives. Planning is finally becoming articulate and specific. This scheme has as yet received no wide publicity, but the group behind

it has a good deal of influence and is persistent. It is looking toward what is called a "fully planned" economy, one dominated by a single will—the Government's.

The whole economic system will be put under one centralized authority and driven toward one concerted end. All natural resources, all man power and industrial plants will be operated "continuously" at a rate "limited only by capacity." The output will be distributed, under governmental (that is, political) authority, in a way to

Is Unworkable



The Brain Trust was moving in all directions at once and there was no clear idea as to what should be done next except that it should be something different

ensure a "reasonably comfortable" standard of life to all.

More will be heard of this plan and its proponents. It will attract attention and interest. Its praiseworthy hopes have always been recognized as the ultimate objective of economic activity—its reason for being.

Theoretical planners of industry

IF BETTER MEANS of achieving the desired purposes have been discovered, people will want to know about it. This article is written to give some account of the genesis of the plan and some appraisal of its merits. It happens that I have been concerned in a small way with certain phases of the project. My impressions may be of use to American business men and the public generally in formulating an opinion on the subject.

I came to Washington early in 1934, on the tide washed in by the push of unfortunate business conditions outside and the pull of employment opportunities in the Capital. The streets were filled with depression "refugees" and the air with talk of revolution. There was demand for men with any kind of technical training, and I soon obtained a position as an economist-statistician in the planning division of one of the alphabetical agencies. My associates were lesser Brain Trust luminaries devoted to the task of making America over.

These young men—drawn mostly from various academic pursuits—were already imbued with a sense of power. There was much enthusiasm and lofty idealism—mingled with a cold, vindictive indignation against the "money changers." With the vaguest ideas as to methods, it was agreed that big business must be brought to heel. No scheme was too wild to receive consideration—anything from forcing reemployment by simple edict to proposals for restoring 1929 production levels under governmental price guarantees and NRA wage scales.

The history of the ensuing three and a half years falls into four periods.

The first was the "Washington madhouse" period of 1934-5, the era of "planless planning." Every man had his plan and every plan was cockeyed. The New Deal was moving in all four directions at once and there was no agreement on what ought to be done except that it should be something different.

Next came the period of the New Deal relapse when, through Court decisions and the reaction of public opinion, several of the more extreme alphabetical experiments were overturned. That ran from the NRA decision to the nominating conventions of 1936.

Third, there was the political campaign when fanaticism ran wild. During those five months no one dared, under pain of social ostracism, to open his mouth except to utter some solemn chant in praise of the New Deal and its all-wise prophets.

The fourth is this post-election period wherein the more advanced New Dealers, armed with an inviolable "mandate" from the sovereign people to do as they damned please, have made Washington a prison house of the mind in which all impulses to independent thought are restrained.

It is possible that my reactions to the planning programs may be tinged with prejudice. Readers must judge that for themselves. At any rate, I was not fully acclimated to this sort of atmosphere. I had spent ten years as a business analyst in New York and my previous essays in planning had not been those of an enthusiast. In 1931, for example, I wrote an article sharply attacking the idea as un-American and impracticable. In 1932 I wrote a book the last chapter of which was entitled "Social Planning and the Eclipse of Democracy."

But by the end of 1933 I had "progressed" sufficiently to draw up a plan of my own. My New Deal friends would not have approved this plan; but I mention it as indicating a certain openness of mind. If I have

now come back pretty largely to my 1931 conclusions, it has been after observation and mature reflection.

Just what does "planned economy" mean? It means that the Government shall use its coercive powers to compel business to operate at some predetermined level held desirable by the bureaucrats or politicians. Coercion may be disguised as special taxes, benefits or "guarantees." But it is of the essence. It cannot be avoided if control is to be maintained. Experience with the AAA crop control clearly indicates that fact. In skeleton outline here is what will happen:

An "adequate" or "normal" level of output will first be statistically determined for each industry. The in-

dustry control board or authority will announce this ascertained amount as the "production budget" for the year. This general budget then is to be split up among individual producers by the planning board or their agents. Finally the Government shall guarantee producers who accept quotas against loss, or offer some other "inducement" to participate in the plan.

Obviously the plan implies price fixing, because the price has a great deal to do with the amount of goods that will be sold. And, of course, setting prices to adjust supply to demand involves accurate forecasts of demand—a thing which a great many highly intelligent people have found difficult. The program implies also a

nation-wide organization of the "co-operating" industries to enable transmission of the Government's orders down to the individual producers. The AAA has such an organization, reaching from the marble-walled offices in Washington to each and every farmer—except, of course, the "chiselers."

The Treasury handles deficits

FINALLY, the plan assumes that the Government will be a much better money maker than private citizens and will not fall into the error of going broke. Skeptics may ironically point back to Government operation of the railroads 20 years ago. But it should be recalled that Government incurred no losses on the roads. It showed acumen. It turned them back to their owners. Really, a Treasury guarantee against business deficits would seem quite in order. Everything else has now been provided for—except, of course, the Treasury's own deficits.

Now it is obviously desirable that industrial output be stabilized on an adequate level, with reasonable prices and an equitable distribution of the product. It is beyond question that one of the greatest defects of the whole modern order is its instability. That defect has come to be a positive menace. If anybody has an idea, a formula, or a revelation which will stabilize our economic order, eliminate poverty and unemployment, that man should be hailed as a prophet and enthroned as a monarch.

The question is:

Can it be done? And, if so, what will it cost and where will we be stabilized?

I think the chances are that it can only be done poorly, that the cost will be excessive and that we shall be "stabilized" on a basis of penury and servitude rather than one of abundance and freedom. Consider:

Item: This program would require a regimental integration of business enterprises on a dead level of efficiency, or rather of inefficiency. It is not adaptable to any dynamic order in which there are considerable numbers of competing producers of unequal and fluctuating competitive power.

Item: It would necessitate either mark-

(Continued on page 86)



Assigning individual production quotas in America is impossible unless it is done on a basis of political favoritism

Puerto Rico Calls for American Goods

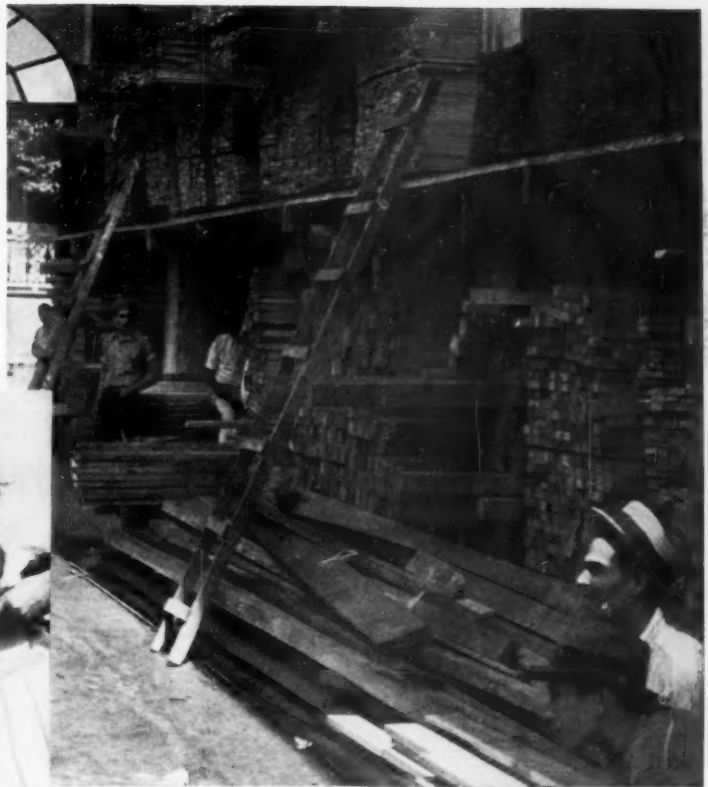


Puerto Rican children wear American made garments—find them less costly than home-made variety

ALTHOUGH Puerto Rico is merely a speck on the map to most Americans who have not travelled in the West Indies, it is of much greater significance to the export departments of some 4,000 manufacturers here in the States. Approximately that many business concerns are making up for the drop in exports by sharing in the record-breaking sales being made to Puerto Rico. These sales aren't exports, since Puerto Rico is a part of the United States, but the transactions are handled by export managers because the goods are shipped by water. The little Caribbean Island has been buying the largest volume of goods in history from farmers and manufacturers in the States in recent months, spending more than \$90,000,000 for American goods in the fiscal year 1936-37. The greatest building boom in Puerto Rico's history is partly responsible for the increased purchases, but goods of all kinds—shoes, fertilizers, cigarettes, dairy products, automobiles, and lumber—have been setting new records.

Although it ranked eighteenth as a customer of business concerns here in 1930, it ranked sixth in 1936; that is, only five of the more than 120 foreign countries bought more goods from the States than Puerto Rico did.

Of special significance is the fact that, although our exports to foreign countries last



HARWOOD HULL PHOTO

All lumber on the island comes from U. S. No suitable building timber is produced in Puerto Rico



Five-gallon tins serve as market baskets for native women

HARWOOD HULL PHOTO



Produce from mountain farms comes to market via pony-back



HARWOOD HULL PHOTO

Native girls cap rum bottles with American-made machinery. More than \$2,000,000 worth of Puerto Rican rum is taken by the States



Eight hundred housing units have been built by P.R.R.A. They were intended to serve as models for slum replacement



This merchant in suburbs handles a lively general merchandise business in San Juan. Practically all of his stock came from the States

year were 52 per cent below 1929 levels, sales from the States to Puerto Rico were 14 per cent higher than in 1929. The Island's people bought almost every conceivable kind of commodity, but everyday necessities accounted for the bulk of the purchases. That is because the average income of the laboring people still is low, even though wages have been increasing steadily and pay rolls in the sugar industry—the Island's chief source of income—are at the highest point in history.

Most goods from the States

PUERTO RICO buys from the States approximately 60 per cent of everything it uses or consumes each year and about one-half of all the food eaten there is purchased from the mainland.

Puerto Rico buys a smaller percentage of foreign merchandise than do the 48 States. There are no tariff barriers; goods flow both ways without payment of duty.

One result of the heavy purchases has been to make Puerto Rico more American each year. American trade names are seen everywhere in the cities and along the roadways. Virtually all of the clothing worn by the people either comes from factories in the States or is made from cloth made here.

Food products account for roughly one-third of the total purchases, but it is significant to observe that food purchases have not been increasing as rapidly as other commodities. It seems evident that the buying power of the people has reached the point where they have



HARWOOD HULL PHOTO

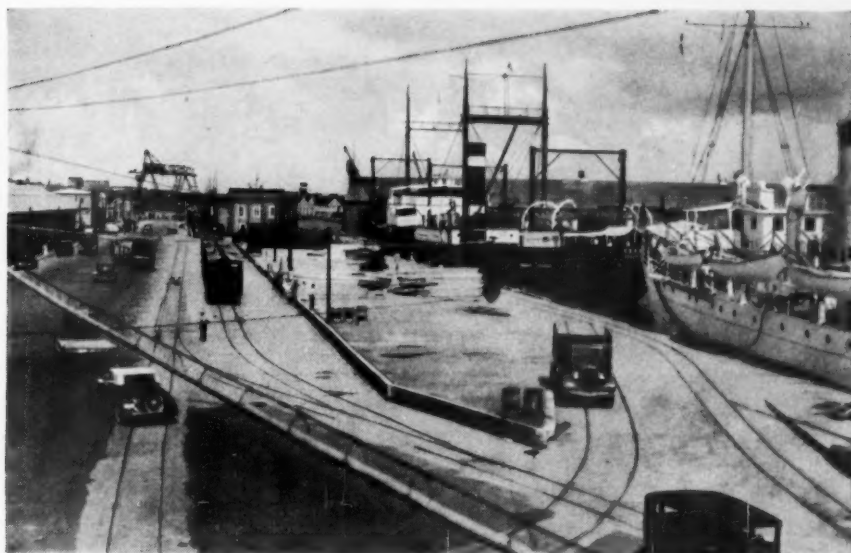
Newest store in San Juan is up-to-date in all modern merchandising ideas

more money to spend for articles other than the barest necessities. Sales of American-made automobiles were the greatest of all time during the last fiscal year. Clothing sales were substantially higher, and building materials purchased on the Island were 39 per cent greater than a year ago.

Rice is the largest single item purchased by the Island. Although practically no rice is grown there, because of low yields, it is the principal item of the laboring man's diet and is



Few bakeries on island produce products other than bread and rolls



Ten ocean vessels often arrive at San Juan in one day. More than \$202,000,000 worth of merchandise is moved from docks annually

consumed in generous quantities by the people with higher incomes as well. Puerto Rico buys ten times as much American rice as all foreign countries put together.

Wheat is not grown in Puerto Rico, so the Island buys about 420,000 barrels a year, ranking second as a customer of the flour mills in Kansas, Texas, Oklahoma and other States. Hogs and other meat animals are raised, but the numbers are too small to meet the local demands. Puerto Rico purchases nearly 32,000,000 pounds of meat, mostly pork, and 24,000,000 pounds of lard from packers on the mainland.

The Island ranks third as a buyer of dairy products and buys more butter and cheese from the States than all foreign countries together.

Business through agents and branches

SALES to the Island are conducted mostly through agents or brokers, the majority of whom are native-born Puerto Ricans. However, a dozen or more firms in the States maintain branch offices in San Juan, the capital and principal city, and a few concerns have substantial investments in the Island. One mainland bank has branches in six of the Island's larger cities.

While the vast majority of the Puerto Rican people live on modest incomes, there nevertheless is a market for luxuries and for higher-priced merchandise in many lines. Although only about 1,800 individuals pay income taxes and fewer than 10,000 life insurance policies are in force, bank deposits in August of this year totalled just short of \$60,000,000, according to the Chamber of Commerce of Puerto Rico, and the banks had approximately \$27,000,000 outstanding in loans. Approximately one-third of the deposits consisted of savings, which totalled \$18,000,000.

Many among the 1,500 continental Americans and 7,000 Spanish-born people in Puerto Rico enjoy fairly high incomes, and a considerable number of the native-born Puerto Ricans are in comfortable circumstances. These individuals represent a relatively small but important market for quality merchandise. The fact that 13 per cent of the automobiles purchased on the Island last year were listed at \$850, or more, indicates some demand for better grades of goods.

—EVERETT B. WILSON



A record-breaking building boom has been in progress for two years. The illustration here shows the general style for better-type housing



Pork is principal food of the natives, next to rice. Hogs are kept tied up because of their great value. Two thirds of pork products come from the States



If he will listen, he may get a good idea from old Jones who has been on the job 40 years

THERE is no royal road to being a successful boss. It is common to assume that good bosses are born rather than made, but the assumption will not hold.

A man may come into the world with aggressive qualities, with power to sway his fellow men and with an uncanny faculty of knowing what is in other folks' minds. Theoretically he should be an outstanding boss in any field.

Actually he may become a confidence man, a crooked politician or a promoter of doubtful enterprises.

Relations between people are so complex that it is difficult if not impossible to set up specifications. They are made up of many small, simple things and a total lack in one respect may be overcome by excellence in another.

As in most other efforts, the desire to be a good boss is probably the first necessity. That desire may result from religious beliefs, from love of one's fellows in general, from dislike of friction, or from the more common ambitions of business advancement and greater profits.

There is no need to theorize or debate the issue. Each type of motive has produced men who have distinguished themselves as good managers and successful bosses. It is equally true that men apparently lacking any outstanding quality have obtained the same satisfactory result.

In other words any normal individual can become a good boss if he really wants to.

The master-servant complex confronts every man who acquires authority. In the beginning he may safely assume that his appointment to the job subjects him to sharp and usually unfair appraisal, to underground criticism, to political opposition hard to uncover, and to fiendishly clever tests of his fitness and sincerity.

One coming up from the ranks should have an advantage. He knows the people he is to govern, he knows their problems, their virtues and their faults as well as the technicalities of their jobs.

But neither he nor his superior should depend too much on this apparent running start. Other men wanted the job and thought they should have had it. Friends of the appointee are likely to expect the "breaks" and are sore if they don't get them. Yet the rest of the outfit instantly notes the slightest sign of partiality.

When a man takes over a job that involves governing

The Art of

others, it is a strong temptation to indulge in a speech or two. Whether the incumbent is president, general manager, superintendent or foreman, it will be well for him to stop, look, listen and think a lot before he does any talking. Even supposedly smart men and orators like governors have talked too soon after getting on the job, and those lads have been chosen by the people they are addressing. The brand new industrial boss was chosen by the higher-ups without consulting those who have to take his orders.

The better method is to meet the individuals in the regular course of the day's work and right out in the open, letting them do most of the talking. Promises of any kind should be avoided as the plague but, if possible, it is well to leave the impression that no wholesale shake-up or radical changes are intended.

After a week or two of this procedure it may be well to have a meeting of the whole group if that is practicable. This should be on company time and in some cases the superior officer should be present, dependent upon that gentleman's standing with the men and his skill in getting their support. Needless to say, the teamwork between the new boss and his superior must be flawless.

Making the inaugural address

IF THE new boss is a poor speaker or is so good that his oratory and emotions are likely to get the better of him, he had better write the speech and stick to the text like a leech. His one big effort should be to create the conviction that he is humble, modest, honest and, above all, absolutely sincere.

He can admit that he likes the job and naturally wants to make good. He should follow that with another frank admission that his success necessarily depends upon the cooperation of those under him.

If his predecessor has been popular and successful, he can pay him a tribute; if he has been a wash-out he should not be mentioned. He should express the conviction that talk is cheap, that he proposes to make no promises but will let actions speak for him. If his own boss is present he may well intimate that everybody is perfectly free to go over his head to that gentleman when he fails to adjust difficulties satisfactorily.

If he cannot say all these things with obvious sincerity he might better not say them. Oratorical window dressing or what is commonly known as "throwing the bull" is dangerous at any time. For a newly elevated boss it is an invitation to prompt and decisive disaster.

It should be thoroughly understood that the circumstances in each particular case may call for different methods of approach. In some situations a general meeting would be entirely out of order. Whether the job is done day by day or by meetings, the big idea is to put

Being a Good Boss

By A. M. FERRY

ANY normal individual can become a good boss if he has the desire to. Although no set rules will fit all conditions, here are some general suggestions that may smooth your road toward industrial peace

across the qualities of sincerity, modesty and honesty, with a frank appeal for cooperation. And cooperation must be sought and paid for in terms of deeds based on those qualities rather than by vague promises.

Whether the new boss has come up from the ranks or has been imported from the outside, he is usually expected to make technical improvements. If he is conscientious and ambitious, he will do well to curb the desire for a quick showing.

That "a new broom sweeps clean" is usually true, but the adage neglects to mention that the sweeping frequently raises the devil with the floor, the broom and him who swings it.

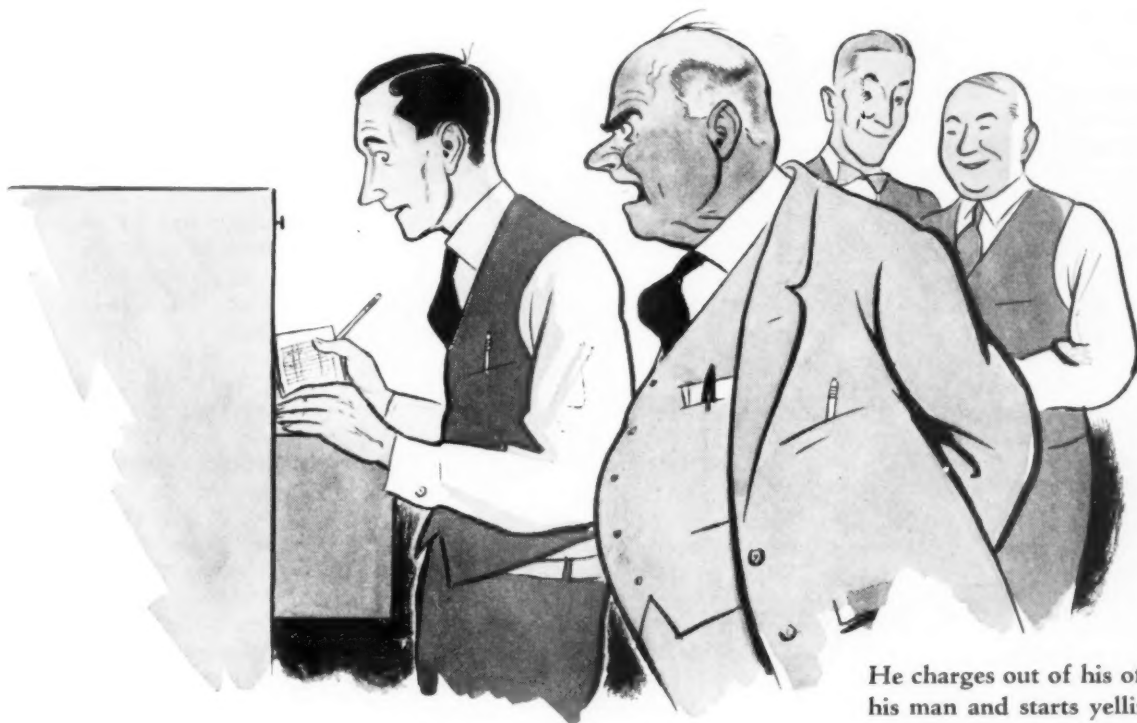
Much government inefficiency is due to the overwhelming desire of an incoming party to "throw the rascals out" and reward the faithful with jobs. In point of ras-



If he must make a speech he had better write it out and stick to the text

cality the newcomers are neither better nor worse than their predecessors, but they usually lack experience and skill in performing their duties. They also have a tremendous urge to change things around so that the body politic will realize that the former incumbents did everything wrong. This good old custom is carried on to impress us and we pay for being impressed.

To follow the same policy in business usually spells quick reaction. Uncle Sam has no competitor waiting to



He charges out of his office, spots his man and starts yelling at him in a voice to raise King Tut

stick the knife in and twist it; if the goods and services he passes out are lousy we growl, but we do little about it.

Reorganizations in business are, of course, necessary at times, but caution demands that they be carried out gradually and that they be based upon something besides a desire for change or an individual's ambition to show how good he is. It is usually better for the enterprise if the new broom leaves a little dust on the floor instead of raising a cloud that confuses and throttles everybody concerned.

Tact required in changes

SO THE new boss should be patient and tactful in renovating his domain. Most persons dislike change and, if the new idea concerns the individual's job, he wonders if it may throw him out. It is doubtful which is more destructive of employee morale—the advent of a stranger with a scientific air and a complex for nosing around, or a new boss who is obviously hell-bent for perfection.

Before bringing in wise looking strangers or going on the prod in person, the boss should do a little chatting with his people. He may learn that the company tried his bright idea back in 1922 and found it a flop. Believe it or not he may get a better thought from old Jim Jones, who has been on the job for 40 years, and never had a chance to spill his observations.

When he decides to proceed let him take another brief period to sell the idea to the force, pointing out where it will benefit the firm as well as the men. To overstress the latter and soft-pedal the former is sticking the chin so far out that a haymaker can't miss it.

There come times when the boss must criticize, and that is one of the toughest jobs confronting him.

Criticism can be the finest kind of art or it can be plain dynamite. The skillful boss proceeds somewhat along the following lines—whether he is foreman, general manager or president:

1. He gets his facts together and looks them over to make sure he sees all sides of the question.
2. He makes dead sure that he can be calm and entirely fair in the stress of the interview.
3. He gets the man he is criticising off to one side where he will not be humiliated in the eyes of his fellow workers.
4. He starts off in the

plural first person: "Jim, we seem to be slipping a bit in your department (or on your machine). It may be *my* fault, but it seemed a good idea to talk it over. Here's the dope—"

5. He states his case in the friendliest, calmest way he can muster, and finishes up, "What can *we* do about this?"

Dollars to doughnuts the man criticised will name his own remedy and it will effect a cure.

Now let us build a horrible example and set up the way it is frequently done.

The boss gets a hunch that things are not so hot in the (write your own ticket) department.

1. He plays his hunch without checking his facts and decides to do something about it pronto.

2. He makes no effort to be calm and fair, but gets all het up in advance.

3. He charges out into the factory or the general office, spots his man, and starts yelling at him in a voice to raise King Tut.

4. "You, Jones, why the hell can't you get those spindles (or reports) out on time? What do you think this place is—a lounging room?"

5. He goes on until everybody who doesn't like Jones is snickering and everybody who does is cursing under his breath. He is likely to finish with, "If you can't do your job we'll get somebody who can!"

Such exhibitions are still to be seen though these are enlightened days. Even responsible officials of large concerns indulge at times and seem not to realize that this is an expensive indoor sport until it is too late.

Such men in the more important positions are products of a former and unwept industrial era. Those who have not died of apoplexy or been

wiped out by more skilled competitors are being removed by their stockholders. There is little need to notice them except as a warning.

Minor executives and foremen are still a source of trouble because of tyrannical and bullying tactics. Foremen particularly are the point of contact between management and men, and the morale of the whole outfit can be shot full of holes by one misfit.

Usually a sound policy of industrial relations at the top filters down to the foremen. In many large concerns that filtration process is not taken for granted but is assured by training the foremen in the technique of handling men. Such efforts recognize that good foremen not only go a long way toward preventing trouble, but are a priceless asset in getting the full cooperation and loyalty of the force.

No business institution, large or small, can afford to overlook or take its foremen for granted. They can wreck the best laid plans for industrial peace or can further those plans to an extremely profitable outcome.

All these obstacles beset the paths of the highest as well as the lowest executives in the management scale—of any man whose job is to direct the activities of others. Obviously, the suggestions made only hit the high spots. The man who has that most valuable single qualification of a boss—the will and desire to be a successful one—can easily fill in the spaces.

Let us now consider a few of the things men want. For the sake of convenience here is a brief list:

Security, better pay, more Leisure, chance to air grievances, sense of Importance, Pride in Occupation.

Here again are chinks to be filled in, and no doubt individual experiences would dictate various listings as to importance. It seems certain, however, that these are among the principal desires of most men.

It is extremely important that the man with ambitions to be a good boss should analyze these "wants" carefully. They are very human and few men can say that they themselves are not eager for the same things.

The boss will get requests and even demands based on these needs. There may be reasons why he cannot grant them but, if he sympathizes with them, his turn-downs will carry less sting, and will increase

(Continued on page 100)



"I couldn't think of anything."

In the Sweet Buy and Buy

By RUTH McINERNEY

THIS picture of the department store of the future may seem far-fetched to you now but, as the author points out, so did America seem far-fetched in 1491



Store executives and the official greeter shake hands with new babies

HOW will we be buying and selling things when Gabriel blows his horn on present methods? We already know all about the House of Tomorrow, and the Street of Tomorrow. So with the greatest of ease we read horoscope on the Store of Tomorrow. Fortunately, "Tomorrow" can mean any day. We're safe as a traffic cop in a cupola. Crystal dazed, maybe, but dauntless—

We're shoving right off.

"Good morning, Mrs. Green and Mrs. White." It's the store's Official Greeter, his smile dazzling as a row of polished piano keys. "Did Mr. White recover from that touch of arthritis? And how is little Bobby Green now that he's in fourth grade?"

This big New York store with several thousand customers can afford to employ the most talented retail

greeter in the country. He knows 100,000 people by their first names and has significant facts about each.

It is the age of Oh! Ah! Um!

The Era of Sensory Selling. Heaven help the dealer who hasn't come to his five senses. He's probably sitting back watching the sales go by—to his competitors.

The idea now is to make the customer exclaim Oh! Ah! or Um! Promotion plays upon the senses to reach major buying emotions. We see, feel, hear, smell, taste everything whenever possible. We buy taffeta after feeling, draping and hearing it swish on a languorous mechanical model in the yard goods department. The odor of lavender in the linen department, the sound of lullabies in the infants' wear and bedding sections, the breath of salt, sunny air in the Going South Shop have all been carefully planned

and plotted. We know to the day when a blanket or a dish towel will wear out and have learned to feel hurt when the local merchants do not hold a reception for the new baby; personalities count these days.

No wonder retail business offices are now crowded with drawings of the nervous system. We hear expressions like "that safety pin campaign hasn't enough sales sensitivity. We've got to give it a medulla oblongata angle."

More personality

YOU'D never guess that the August furniture clearance went over with a bang because it had such high sensory rating. The cerebral twist, of course. It's no longer "Hands Off" but "Hands On, Please." Customers tried out every piece before they bought.

What's caused all this spotlighting of the ego? It's the result of a revolution against regimentation. The cry is "Personality, not Paternalism." People grew tired of being about as ruggedly individual as a dish of tapioca pudding. Advertising geni quickly climbed aboard. And so you hear retail slogans like "I'm Your Pal," "Call Me Sol," "Let's Be Friends."

Field workers learn intimate details of our private lives, pass them along to the store's filing system. If your eyes are violet, you dislike brown, have a weakness for clingy silks, and are glowingly feminine, don't think every alert merchant in town hasn't it carded. That explains why every time a shop gets in a line of limpid violet accoutrements you hear about it either from a calling salesman or by televisiphone. A certain innocent bystander, a field worker, is the missing link.

Who is she? You'll recognize her

as the most unobtrusive person in your set. She's as close to customers as the law will allow—shares your joys and sorrows, belongs to your clubs, is usually a friend in your home. Of course, she couldn't help learning that you planned that surprise party for a relative, that you needed a new dining suite to harmonize with surroundings. Nevertheless, within a few hours after your wish is spoken, a salesman from a furniture shop is at the door, with photos of *exactly* the right selection. Positively uncanny, my dear!

And take Bobby. While motoring to Philadelphia one evening, he proposed to his girl, was accepted, de-

cided on a diamond set with emeralds, and was astounded to find a smiling, diffident diamond salesman waiting for them at the Biltmore Cafe, with just *exactly* the right selection.

Positively uncanny, my dear! Who knows but what the field worker jumped out of the rumble seat at Trenton and phoned in the information. We don't either.

Always hovering in the background like an English valet is one of these tireless persons, eager to bring the acme of service into our homes and hearts. It's quite touching. Winds itself around every nickel in the pocketbook.

Believe us, these latter day dealers know their sales neurology.

And people become persons as soon as feasible. Once a month, store executives and the official greeter gather in the infants' wear department gravely to shake hands with new babies. A really smart greeter won't forget a face, either, no matter how many changes it goes through from ribboned bonnet to black derby.

One day, before you and I started on this shopping excursion, dawn came up like thunder, and the merchandising world learned about Coordinated Services. That cuts the throat of competitive throat-cutting. In the household service department we can get a good plumber along with the new faucet for the kitchen sink or an electrician to put in the fixture for the hall. Both come certified, sealed and ready for instant delivery.

Helping match sets

WHAT'S that busy new section in the middle of the household goods section? You get 200 points for the right guess to this one. However, it's really the Household Accessories Consultation Service, popularly called "H.A." to distinguish it from the Personal Accessories Consultation Service, known as "P.A."

In H. A. you readily discover from big merchandise catalogs that you can buy pots and pans with cherry red trim on the sixth floor to match dish towels from the second, linoleum from the fifth, and a dinette set on the eighth.

What? You want wall cabinets and a kitchen sink with cherry trim, also? Lessee. Sure enough, the Jackson Store down the street has a line of these very things, says the catalog. And at Jackson's you'll find, in turn, news that the other store has the harmonizing pots, pans, towels, etc. The new spirit of Coordinated Buying makes this amalgamated miracle conceivable.

Buyers go to market together, arm-in-arm, so to speak. The day of the lone wolf buyer has passed. An independent shoe shop now not only sells a certain type of slate blue footwear, but has, in its Personal Apparel Catalog, information that a nearby shop has matching



A uniformed sales boy takes us for a ride down special aisles in a perambulating chair

dressess, hats, coats. A furniture store may not have drapes concordant with the colors in a suite of upholstered chairs. But it has the name of the local dry goods dealer who does carry just the thing. And a retailer wouldn't think of stocking a selection of ageratum blue kitchen canisters without first ascertaining that his brother dealers or buyers had also laid in some ageratum blue linoleum, kitchen furniture, paint, curtains, etc.

Not the least sympathetic assistance rendered by the P. A. section is on how-to-make-the-most-of-what-you-got. The Charm School for Home and Person is well attended. There customers learn how to minimize extreme height with the right clothes. The gentleman with the extra long neck receives personal and helpful shirt, collar, hat aid. The busy mother, eager to save steps, is shown how to plan work centers in the home.

In this age of voluptuous vending to a public rapidly becoming as spoiled as an only child, perfect fit is of paramount importance. Stores and departments have custom tailoring and refitting services in the lingerie, corset, men's underwear, hat and millinery sections as well as dress and suit departments. Today's man wouldn't be caught wearing a pair of shorts that didn't fit him around the hips like a sausage casing. He buys shoes to fit his feet and personality, his hat to go with his profile, height, coloring and age, his tie to suit his mood and ensemble.

Oh yes, red means excitement, blue means mystery, and green, that open-air feeling.

Customers and comments

SO it is that customers slip in and out of smoothly fitting outfits, wrinkle-proofed, designed for action, sleek as a new highway. It pays the store and the client. Every customer becomes a walking ad. Comments from contented customers create, economically, new sales.

Re-tale of the week, among the business people in town, was the one about the little old lady, wearing a crownless hat, fingerless gloves, toeless shoes who quaintly asked, "Does this fabric shrink and will the colors run?" The sales girl, being 18 and of the New Era, innocently asked, "Run? Where?" Of course, nothing runs any more, except politicians

for office, and later for the border.

Labels have been reduced to simple terms. They've gone through the thread count, tensile strength, abrasive percent degrees, and in so doing, the purifying fires cleaned the markets of shoddy goods. Now, labels read, "This article will give five years of average service," if it's sheets, towels, plain handkerchiefs, work shirts, and the like. Where an

partment, for instance, looks like a glorified home workshop, from the real benches to the shelf of handy household paints on the wall, from the half-finished cutout in the metal working machine to the luscious assortment of tools in a kit box. And in the furniture store, each piece of furniture is tried on in a room setting that approximates that of the customer from the color of walls to the size of the room. It's just like sprinkling goods with stardust to make the sales shamrocks grow.

Sales girls must report all toothaches, tired feet and moods indigo



Save the feet

NATURALLY in retail establishments where welcome is written on the mat and maps of the staff, comfort comes to be expected. In fact it's necessary, for it has been proved that 50 per cent of the buying public has foot trouble. That means taking them off their feet as much as possible, for a customer in pain isn't any more enthusiastic than a patient in a dentist's waiting room. A smiling, uniformed sales boy takes us for a ride in a perambulating chair down special aisles. He calls out various new merchandise as we roll past. The world seems suddenly a grand place to buy in. And in the sales boy's pocket is an order book—

Lounge nooks abound throughout the store. As we rest, the store's Program of the Day is televised before us on a screen. Simultaneously,

it is being shown in the main waiting room, the restaurant, in one of the show windows, and on miniature screens at each elevator entrance. Fashion shows of apparel and housewares parade before our eyes. And by our chair is a house order phone. We pick it up and say:

"I wish to place an order for one of those luncheon sets called 'Hibiscus Blossom' that you just showed on the screen."

Merchandising with gusto, dealers have released delicate clouds of violet scent in the handkerchief and lingerie sections, piney odors in sports apparel and sporting goods departments, and in the kitchen wares shop, the savory scent of roasting meats or spicy pies. Clever chemists make it all possible, and an olfactory expert will tell you, down to the last sniff, exactly what to use if you want to sell more fountain pens in your stationery store.

That warm feeling you get when
(Continued on page 101)

article requires special care in its use, instructions are given. Don't be startled if the second label warns, "The pattern will rub off this blouse if you wash it. Dry clean, instead."

The shortest distance between two points—the dealer and the customer—is a generous sample or a hearty try-on. Basking in the sunlight of this friendly feeling, patrons learn how they look in certain garments, even lingerie and hose, before purchasing. Things are shown under morning light, afternoon light, artificial light. This is because dealers now know 87 per cent of retail sales are the result of visual exploration, 90 per cent the result of feeling the item, while 25 per cent of all purchases are impulse.

Since goods are now sold from stock, rather than from off the counters (these being only for sampling), there is more floor space for promotion. That gives display men a chance to show goods in natural settings, like animals in the zoo. The hardware de-

as the most unobtrusive person in your set. She's as close to customers as the law will allow—shares your joys and sorrows, belongs to your clubs, is usually a friend in your home. Of course, she couldn't help learning that you planned that surprise party for a relative, that you needed a new dining suite to harmonize with surroundings. Nevertheless, within a few hours after your wish is spoken, a salesman from a furniture shop is at the door, with photos of *exactly* the right selection. Positively uncanny, my dear!

And take Bobby. While motoring to Philadelphia one evening, he proposed to his girl, was accepted, de-

cided on a diamond set with emeralds, and was astounded to find a smiling, diffident diamond salesman waiting for them at the Biltmore Cafe, with just *exactly* the right selection.

Positively uncanny, my dear! Who knows but what the field worker jumped out of the rumble seat at Trenton and phoned in the information. We don't either.

Always hovering in the background like an English valet is one of these tireless persons, eager to bring the acme of service into our homes and hearts. It's quite touching. Winds itself around every nickel in the pocketbook.

Believe us, these latter day dealers know their sales neurology.

And people become persons as soon as feasible. Once a month, store executives and the official greeter gather in the infants' wear department gravely to shake hands with new babies. A really smart greeter won't forget a face, either, no matter how many changes it goes through from ribboned bonnet to black derby.

One day, before you and I started on this shopping excursion, dawn came up like thunder, and the merchandising world learned about Coordinated Services. That cuts the throat of competitive throat-cutting. In the household service department we can get a good plumber along with the new faucet for the kitchen sink or an electrician to put in the fixture for the hall. Both come certified, sealed and ready for instant delivery.

Helping match sets

WHAT'S that busy new section in the middle of the household goods section? You get 200 points for the right guess to this one. However, it's really the Household Accessories Consultation Service, popularly called "H. A." to distinguish it from the Personal Accessories Consultation Service, known as "P. A."

In H. A. you readily discover from big merchandise catalogs that you can buy pots and pans with cherry red trim on the sixth floor to match dish towels from the second, linoleum from the fifth, and a dinette set on the eighth.

What? You want wall cabinets and a kitchen sink with cherry trim, also? Lessee. Sure enough, the Jackson Store down the street has a line of these very things, says the catalog. And at Jackson's you'll find, in turn, news that the other store has the harmonizing pots, pans, towels, etc. The new spirit of Coordinated Buying makes this amalgamated miracle conceivable.

Buyers go to market together, arm-in-arm, so to speak. The day of the lone wolf buyer has passed. An independent shoe shop now not only sells a certain type of slate blue footwear, but has, in its Personal Apparel Catalog, information that a nearby shop has matching



A uniformed sales boy takes us for a ride down special aisles in a perambulating chair

dressess, hats, coats. A furniture store may not have drapes concordant with the colors in a suite of upholstered chairs. But it has the name of the local dry goods dealer who does carry just the thing. And a retailer wouldn't think of stocking a selection of ageratum blue kitchen canisters without first ascertaining that his brother dealers or buyers had also laid in some ageratum blue linoleum, kitchen furniture, paint, curtains, etc.

Not the least sympathetic assistance rendered by the P. A. section is on how-to-make-the-most-of-what-you-got. The Charm School for Home and Person is well attended. There customers learn how to minimize extreme height with the right clothes. The gentleman with the extra long neck receives personal and helpful shirt, collar, hat aid. The busy mother, eager to save steps, is shown how to plan work centers in the home.

In this age of voluptuous vending to a public rapidly becoming as spoiled as an only child, perfect fit is of paramount importance. Stores and departments have custom tailoring and refitting services in the lingerie, corset, men's underwear, hat and millinery sections as well as dress and suit departments. Today's man wouldn't be caught wearing a pair of shorts that didn't fit him around the hips like a sausage casing. He buys shoes to fit his feet and personality, his hat to go with his profile, height, coloring and age, his tie to suit his mood and ensemble.

Oh yes, red means excitement, blue means mystery, and green, that open-air feeling.

Customers and comments

SO it is that customers slip in and out of smoothly fitting outfits, wrinkle-proofed, designed for action, sleek as a new highway. It pays the store and the client. Every customer becomes a walking ad. Comments from contented customers create, economically, new sales.

Re-tale of the week, among the business people in town, was the one about the little old lady, wearing a crownless hat, fingerless gloves, toeless shoes who quaintly asked, "Does this fabric shrink and will the colors run?" The sales girl, being 18 and of the New Era, innocently asked, "Run? Where?" Of course, nothing runs any more, except politicians

for office, and later for the border.

Labels have been reduced to simple terms. They've gone through the thread count, tensile strength, abrasive percent degrees, and in so doing, the purifying fires cleaned the markets of shoddy goods. Now, labels read, "This article will give five years of average service," if it's sheets, towels, plain handkerchiefs, work shirts, and the like. Where an

partment, for instance, looks like a glorified home workshop, from the real benches to the shelf of handy household paints on the wall, from the half-finished cutout in the metal working machine to the luscious assortment of tools in a kit box. And in the furniture store, each piece of furniture is tried on in a room setting that approximates that of the customer from the color of walls to the size of the room. It's just like sprinkling goods with stardust to make the sales shamrocks grow.

Sales girls must report all toothaches, tired feet and moods indigo



Save the feet

NATURALLY in retail establishments where welcome is written on the mat and maps of the staff, comfort comes to be expected. In fact it's necessary, for it has been proved that 50 per cent of the buying public has foot trouble. That means taking them off their feet as much as possible, for a customer in pain isn't any more enthusiastic than a patient in a dentist's waiting room. A smiling, uniformed sales boy takes us for a ride in a perambulating chair down special aisles. He calls out various new merchandise as we roll past. The world seems suddenly a grand place to buy in. And in the sales boy's pocket is an order book—

Lounge nooks abound throughout the store. As we rest, the store's Program of the Day is televised before us on a screen. Simultaneously,

it is being shown in the main waiting room, the restaurant, in one of the show windows, and on miniature screens at each elevator entrance. Fashion shows of apparel and housewares parade before our eyes. And by our chair is a house order phone. We pick it up and say:

"I wish to place an order for one of those luncheon sets called 'Hibiscus Blossom' that you just showed on the screen."

Merchandising with gusto, dealers have released delicate clouds of violet scent in the handkerchief and lingerie sections, piney odors in sports apparel and sporting goods departments, and in the kitchen wares shop, the savory scent of roasting meats or spicy pies. Clever chemists make it all possible, and an olfactory expert will tell you, down to the last sniff, exactly what to use if you want to sell more fountain pens in your stationery store.

That warm feeling you get when
(Continued on page 101)

article requires special care in its use, instructions are given. Don't be startled if the second label warns, "The pattern will rub off this blouse if you wash it. Dry clean, instead."

The shortest distance between two points—the dealer and the customer—is a generous sample or a hearty try-on. Basking in the sunlight of this friendly feeling, patrons learn how they look in certain garments, even lingerie and hose, before purchasing. Things are shown under morning light, afternoon light, artificial light. This is because dealers now know 87 per cent of retail sales are the result of visual exploration, 90 per cent the result of feeling the item, while 25 per cent of all purchases are impulse.

Since goods are now sold from stock, rather than from off the counters (these being only for sampling), there is more floor space for promotion. That gives display men a chance to show goods in natural settings, like animals in the zoo. The hardware de-

FASHION NOTE

By H. I. PHILLIPS



SOCK him on the kisser,
Put him on the pan,
Roll him in the gutter—
He's a business man!

Does he pay in taxes
What the law calls for?
Why, the dirty reptile
Should be paying more!

Pillory the sucker,
Poke him in the eye,
Jump upon his torso—
He's a business guy!

Blast him in the headlines,
Charge some crooked acts!
Let this be your slogan:
"Anything but facts!"

Has he built a business
To enormous heights?
Brand him as a cheater—
Never mind his rights!

Has he made some money?
Get his scalp today!
Say, where does he think he's
Living, anyway?

Does he give employment?
Is the pay roll big?
Put the bum in irons!
Toss him in the brig!



CHARLES DUNN

"By Mandate of a Pious Statute"

A Congressional Record Dialogue

THE ACTION of the Senate in passing the Black-Connery bill to fix minimum wages and maximum hours by federal statute was one of those legislative anomalies which no logic but the peculiar temper of the times will explain. Most of the senators who discussed it either expressed skepticism of its far-reaching provisions or tried to obtain exemption for key industries in their sections which they believed the bill would injure. A shower of these amendments exempted a number of seasonal occupations. At least two related to cotton baling and compressing—interests which the gentleman from Alabama is generally alert in protecting.

Notwithstanding the grave doubts in the minds of many senators as to the wisdom of entrusting so much power over industry and labor to a board, the motion to recommit lost by 36 to 48 and then the bill was passed by 56 to 28. Senator King, who voted nay, must have expressed the majority view when he spoke of "the futility of attempting to resist the tide of centralization that is sweeping the country."



Although the measure failed to become a law because the House did not act on it, it is practically certain to be on the "must" calendar in some form at the present session. For this reason these flashes from the Senate debate are significant:

Mr. Black of Alabama: We cannot depend on the diverse laws of 48 different states, enacted by the legislatures and approved by the governors of all those states.

Mr. Walsh of Massachusetts: The theory of the bill is that it will lower hours of employment and raise wages, so far as possible, and that the standard or progressive employer who requires fewer working hours of his employees and

AT SOUND of the official Congressional gavels opening the special session of the Congress the probability of wages and hours legislation became a matter of immediate concern to the business community. What was said in the feverish debate over the original Black-Connery bill still makes lively reading, defines the extremities of approval and condemnation, suggests the infinite variety of interpreting the language of legislative proposals, provides the substance for belief that although politics may be pure, it is never simple.

pays them high wages shall not be subjected in the markets of the country to the competition of goods produced in a location . . . where lower wages are paid and the employees are worked a greater number of hours than in the case of the employer who has a higher standard. . . . The chief merit the bill possesses is based upon the assumption that there are millions of wage earners in the country who have no facilities for collective bargaining.

Mr. Black: I very soon discovered that the canners were the most active, the most energetic, the most alert, perhaps, of any group in America when it came to trying to secure exemption from a law.

Mr. Johnson of Colorado: I greatly fear that the Committee on Education and Labor is not sufficiently impressed with the staggering administrative job confronting the Board created by the Black bill . . . a job that it is estimated will require 100,000 persons to administer.



Mr. Vandenberg of Michigan: If by the magic of a vivid wish or by the mandate of a pious statute I could universally give . . . all American labor a 40 hour maximum work

week and a 40 cent minimum hourly wage, I would do it with unrestrained enthusiasm and approval.

I doubt if Congress ever was asked to delegate a larger, wider, more potentially dangerous power to a bureaucracy.

I do not believe it is humanly possible for any five men successfully and satisfactorily to make the thousands of decisions which will govern the tens of thousands of industries and the hundreds of thousands of workers that must receive separate affirmative action from the commission under this proposal. The country is simply too big, and so is the contemplated job. . . . The labor relationship under the so-called Wagner Act is a four-party affair. These are the four parties: A majority of employees, a minority of employees, the employer, and the public. The Wagner Act speaks effectively for the first. It ignores the other three. It should deal equitably with all. . . . I think no greater contribution can be made to the perpetuation of the legitimate objectives of the Wagner Act than to amend it in such a way as to make it plain that it is not a one-way street, and that industrial rights in America under collective bargaining are not a one-sided prerogative. (Mr. Vandenberg offered seven amendments to the National Labor Relations Act as a rider to the Wages and Hours bill.)

Mr. Wagner of New York: I would give my last blood to prevent the enactment of the suggested amend-

ments, because they would destroy the rights these unfortunate workers, exploited for years, have finally won.



Mr. Lodge of Massachusetts: My amendment provides that the average imports of all classes of goods for the past five years shall be determined, and then no imports above that amount shall be allowed into the United States unless such imports are manufactured under conditions equivalent to those set up in the bill. . . . Is it not self-evident that if we raise the cost of living and raise prices and raise standards, which we are in favor of doing, and do not protect ourselves against sub-standard foreign competition, we shall destroy our own standards?

Mr. Austin of Vermont: The operation of a statute through the executive department of the United States effectually freezes the opportunity of labor to sell its services. . . . Labor will rue the day that it got itself, or was forced into, the position of a statutory monopoly of the right of labor to work.

Mr. Walsh: I agree that if the bill is not carefully administered the net result will be injurious to the small industries of the country and promotive of the movement of all industry into monopoly, and as the next step in order to protect the consumers, as prices and wages go up and hours go down, there might have to be some legislation to control prices.

Mr. Austin: Another price that labor must pay is lower real wages. . . . It makes very little difference how high wages may be in money denomination if the clothes the wage earner must wear, the food he must eat, the shelter he must have, cost so much more than they did before that the pay envelope will not buy as much of those things necessary for a good diet and a comfortable living.

Mr. George of Georgia: It is said that in a large number of industries labor is not organized and there is therefore no collective bargaining in a very true or real sense. . . . Labor is organized or will organize whenever there is a real

reason for organization. But in the little industries, where a fine personal relationship exists between the employer and the employee labor organizations have not been able to make much headway for the very substantial reason that there is no actual necessity for an organization of the type that exists in the large key industries of the country.

Mr. Harrison of Mississippi: In the great majority of cases the employers in the United States want to see their labor get along happily, obtain fair wages, and they want to go about as far . . . as the economic rules and good business management will permit. . . . I have no complaint to find with senators who have reformed their own states, like my friend, the senator from New York (Mr. Wagner). Since 1913, I believe he said, he has made conditions perfect up there. . . . The pending amendment of the senator from North Carolina (Mr. Reynolds) provides that the terms of the bill shall not affect industries employing 10 persons or less. . . . It will bring about a situation just as did the NRA between the larger units of industry and the smaller units. Under the NRA some said it would create a monopoly and others said the law could not be enforced against the small fellow.

Mr. Connally of Texas: Why should a man engaged in packing apples be exempt, and a man packing lemons, or oranges, or grapefruit, not be exempt? What is there about apples that makes them entitled to exemption?

Mr. Schwellenbach of Washington: There is one very important thing about apples, so far as I am concerned, as compared with grapefruit, and that is that we grow apples in the state of Washington.

Mr. Smith of South Carolina: We will have to loosen up our immigration laws and bring people here to work. Nearly every American is on the Government pay roll. We will have to get workers from somewhere.

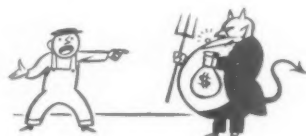


Mr. King of Utah: I know the futility of attempting to resist the tide of centralization that is sweeping the country.

Mr. Neely of West Virginia: In 1935 a certain corporation executive received a salary or compensation of \$500,000, or \$360 more for his services for a single day than the total income upon which any one of more than 5,800,000 American families lived for an entire year. . . . Starvation wages for a third of our working population is a malignant tumor that is slightly less menacing than the cancer of unemployment.

Both of these deadly afflictions must be cured or the patient will perish and the government of the United States will wend its way to the great international cemetery where sleep the remains of Babylon and Nineveh and Tyre, and the glory that was Greece and the grandeur that was Rome.

Mr. Byrnes of South Carolina: Its [the Labor Standards Board's] finding of fact based on the conclusions of Secretary Perkins and of such labor organizers as she wants to select to conduct the investigation never can be called in question in any court of law if there is a single line of evidence to support it. . . . Is there a single business in all the Union that cannot find in its lists of employees one who will swear that the employer is a devil in human form?



Mr. Borah of Idaho: I would provide in the first instance 30 cents an hour. I would give time to readjust and then I would increase. I would leave the provision concerning maximum hours as it is now.

Mr. Walsh: Suppose we wrote a 40-hour week provision into the law, what would happen? . . . It would ruin and bankrupt small industry in this country. In our desire to help the small wage earners we would put them out on the street. [The bill as reported left hours and wages to be set by a board.]

Mr. Maloney of Connecticut: I can vote for almost any kind of a regulatory bill. No one needs to make any special plea concerning people who work in order to get me on his side.

Mr. Wagner: Perhaps I am too advanced. Or perhaps I am too narrow-minded. . . . But we have always to protect the workers against the menacing exploiter.



INTERNATIONAL
Henry Ittleson

Business Men Say . . .



H. W. PRENTIS, Jr., President
Armstrong Cork Company

"The high priests of economic planning are the modern prototypes of the medicine men of our barbaric ancestors. They firmly believe that if an all-powerful government will only utter the proper incantations over modern industry there will gush forth spontaneously security and plenty for everyone. . . . They completely ignore the fact that an all-powerful state has always proved to be the most effective instrument for the exploitation of the masses known to mankind."



Clayton R.
Burt

HENRY ITTLESON, President
Commercial Investment Trust Corporation

"My estimate of the outstanding consumer instalment debt of all classes at the end of 1936 was \$2,000,000,000. From the size of this figure it does not appear that the public has mortgaged its future unduly, either from the standpoint of its ability to pay or from the effect of instalment debt on future buying power. The American consumer has demonstrated that he is, in the mass, sound, intelligent and reliable . . . his tourist and vacation spending during this past winter amounted to as much or more than his total instalment debt obligations . . . his savings bank deposits as reported June 1937 were the highest on record . . . the assets of insurance companies were about \$6,000,000,000 more than in 1929 . . . all of which seems to indicate that the spending habits of the public are not out of line or incompatible with its saving habits."

CLAYTON R. BURT, President
Niles-Bement-Pond Company

"Our great social structure has become so complicated that it is vitally necessary for industry to cooperate with the Administration, and this we have faithfully tried to do. It is quite as necessary for all branches of the Government to cooperate with managers of industry. That has not been done, and persistence in this course is dangerous. This lack of understanding of industry's problems has made us all reluctant partners in some unusual experiments."



ACME

FRED I. KENT, Director
Bankers Trust Company, New York

"Would it not seem, in order to accomplish real social security, that government should exercise every force within its power to protect the industries through wise regulation; that it should allow a conservative accumulation of corporation surpluses and further safety in banking; that it should stop competing with business and industry and cut out wasteful expenditures?"

Seeing Red

Thumb-nail appraisals of books
on new social philosophies

By FRED DEARMOND

Socialistic Evolution

THE LONG ROAD

By Arthur E. Morgan

National Home Library Foundation

DR. MORGAN is chairman of the Tennessee Valley Authority and a former college president who brooded long over social evolution before he received a call to higher fields. His book is loaded with pedantic platitudes about raising up the national character, which he thinks was reduced to low levels by conservative business and government before New Deal redemption came to the rescue. He is reluctant to follow some of the higher flights of Planned Economy, but no piker when it comes to government ownership, as one passage on Page 73 will show. In his vision of the perfect state he includes among those "natural monopolies" which would be government-owned, the following: power, gas, telephone, radio and newspapers. Evidently the bureaucrats are rapidly learning from Europe how to mold public opinion.

Conditioned Marxism

A DECLARATION OF INTERDEPENDENCE

By H. A. Overstreet

W. W. Norton & Co.

BUSINESS MEN, as Professor Overstreet views them from his lofty academic plateau, are for the most part "social sadists," a lucky few, "a small privileged minority who have command over our lives." And yet he thinks wealth is acquired with ease—"when one knows the subtle technique." If the professor wants to do a real best seller he should write a book explaining this "subtle technique."

The author of this tome concedes some difficulty in weaning Americans away from their key-word, "Independence." A new key-word is needed. "Interdependence" sounds better than the more descriptive "collectivism," for instance. "The day for Marx has arrived" in America, but, owing to the peculiarly perverse and unsocial tradition of liberty in this country, Marxism in the beginning must go through a "historic conditioning," or blending with Jeffersonian doctrine.

The Great Opportunist

JOHN L. LEWIS—LEADER OF LABOR

By Cecil Carnes

Robert Speller

SUB-TITLED "an impartial appraisal," this book is a build-up for the shaggy CIO captain, subject of more news print lineage in 1937 than any figure in the coun-

try except the President. But, both in and between the lines it only serves to show him as the greatest failure in American public life—the man who has caused more misery and destitution among his followers than all the economic royalists since John Smith have caused. He made a great noise denouncing Communists and other radicals until those labels ceased to be a liability to his aims, then took a number of them to his arms in fraternal amity.

Spies and Saboteurs

THE LABOR SPY RACKET

By Leo Huberman

Modern Age Gold Seal Books

BOOKS like this and the testimony before the LaFollette sub-committee on labor espionage seem necessary to hold union members in line and keep the dues pouring in. The spy is the personal devil of the labor organizations. Mr. Huberman's intemperate onslaught pictures trusting unionists taking to their bosoms wicked hirelings who worm from them all the secrets of the order. All this wrath of the proletarians indicates that some of the unions at least have some very deep secrets, that a class-war is projected, and that the "enemy" must be kept in the dark. The secrecy with which strike violence is planned and plants seized by squatters makes espionage by employers inevitable, however undesirable it may be.

Thrift Caused the Depression

BRASS TACKS

By David Cushman Coyle

National Home Library Foundation

A REVEALING testimony from one of those architects of the perfect society who sees the chief function of government as that of acting as a great economic pump which sucks up moisture from certain areas of business and pumps it into other areas that need financial irrigation. No apologetic New Dealer is Mr. Coyle. The three-billion appropriation for public works and relief was "only a whistle in a gale of wind." It should have been ten or fifteen billions. The way to turn all deficits into surpluses is to spend more. Debt may be very bad for individuals or corporations; it is a sign of health in the Government.

Blind Leaders of Youth

WE TAKE OUR STAND

Declaration of Principles adopted by the Young Communist League of the U. S. A.

YOUTH IN ACTION

Pamphlet of the Council for Social Action, New York City

TITILLATIONS of the Youth Movement in America, out to teach its backward elders something about history and sociology. The Young Communist League displaces such outmoded heroes as the Minute Men with the Molly Maguires of the Pennsylvania coal fields in the last century and Sacco and Vanzetti in our times. The Council for Social Action outlines to youth the possibilities for agitation in such made-to-order themes as "Low Wages in Relation to Standard of Living," "Child Laborers," etc. "Today young people . . . are aware of new social evils. They understand history better than their father." But there is no explanation of why this superior prescience does not prevent those of adolescent years from furnishing an ever-mounting percentage of criminals from their ranks.

NATION'S BUSINESS for December, 1937

NEW FANFOLD MACHINE

Burroughs



There's Less for the Operator to Do!

Users of fanfold machines are amazed at the simple, automatic action of this remarkable new Burroughs Fanfold Machine.

They quickly realize that it cannot waste costly time—that it does not waste physical effort.

See for yourself how it will enable your operators to sustain high-speed production with much less effort, thereby lowering your costs of handling fanfold or continuous forms of any kind. Ask for a demonstration.

JUST TOUCH ONE KEY—

Carriage Opens
Automatically!

Forms are Released
Automatically!

Carriage Returns
Automatically!

Carbons Shift
Automatically!

Then—as the operator removes
the completed set of forms—

New Forms Lock in Place
Automatically!

Carriage Closes
Automatically!

MAIL THIS COUPON!

BURROUGHS ADDING MACHINE COMPANY
6012 Second Blvd., Detroit, Mich.

I should like to know more about this new Burroughs Fanfold Machine.

NAME _____

ADDRESS _____

**THE MACHINE
—NOT THE OPERATOR—
DOES MOST OF
THE WORK**

The Business of Miracles

By JOHN MULHOLLAND



Mr. Mulholland demonstrates a point in his lecture by producing a rabbit

A MAGICIAN is one who, for remuneration, fools the public. Of course, if he accepts a fee, it is essential that he does mystify his audiences. It is fascinating as an occupation but rather weird as a business.

When Alexander Herrmann (the Herrmann The Great who appeared during the latter part of the last century) began his career, magic was still an entertainment brought about by the skill of the performer. Little by little the magic of the stage changed by demand of the theater managers to demonstrations of piece after piece of large paraphernalia. The managers demanded what they termed "flash." Of course, it makes no difference which bit of magic is shown, provided the audience is mystified and entertained, but the managers felt that bulk was required.

It would be the same situation were a concert manager to make Albert Spalding play a bull fiddle because it is a bigger instrument than a violin. Of course, bulky equipment not only increased the traveling expenses for the magician but made necessary the use of a staff of assistants. At one time Howard Thurston had 30 persons traveling with his show and needed two railway cars to transport the properties. And yet, the public still went to see Thurston—the man—when he had all those tons of "flash" material, exactly as they had done when he did his vaudeville act with merely a pack of cards and one assistant.

SOME interesting sidelights on that peculiarly honest business which succeeds only because it can fool the people and makes them like being fooled



The late Howard Thurston produces "The Girl Without a Middle." His performance required two carloads of equipment

Furthermore, with the small act the money he received was all his.

The really big flash show could not exist unless there were at least 30 weeks of work a year and the average engagement lasted a week. The initial expense of building such shows was from \$50,000 to \$100,000. There were but three things to do: reduce the equipment to a point



The
**UNDERSTUDY
STANDS READY**

"THE show must go on" is one of the finest traditions of the stage. If anything should happen to a player, an understudy goes on. In opera particularly, when there is doubt about the condition of a singer's voice, the understudy stands in the wings ready, at any moment, to carry through the performance.

Whatever happens, life must go on for your family. You can make Life insurance your understudy, ready and able to step in and carry through your family obligations. Then you can be sure that your financial responsibilities to your wife and loved ones will be fulfilled. Life insurance will provide money

to pay for food, clothing and shelter; to assure your children an adequate education; and, if need be, to pay off the mortgage and make your family's home really theirs.

As you carry out your own Life Insurance Program you will have the satisfaction of knowing that you have a dependable understudy.

Before the curtain rises on the new year, why don't you sit down with a Metropolitan Field-Man and work out with him a Program that takes into account your needs, your means, your prospects. Telephone the nearest Metropolitan office today—or mail the coupon.

The Metropolitan issues Life insurance in the usual standard forms, individual and group, in large and small amounts. It also issues annuities and accident and health policies.

The Metropolitan is a mutual organization. Its assets are held for the benefit of its policyholders, and any divisible surplus is returned to its policyholders in the form of dividends.

Metropolitan Life Insurance Company
1 Madison Avenue, New York, N. Y.

Without obligation on my part, I would like to have information regarding a Life Insurance Program to meet my needs.

NAME _____

ADDRESS _____

CITY _____ STATE _____

127-N



METROPOLITAN LIFE INSURANCE COMPANY

FREDERICK H. ECKER, Chairman of the Board

ONE MADISON AVENUE, NEW YORK, N.Y.

LEROY A. LINCOLN, President

Copyright, 1937, by Metropolitan Life Insurance Company

where it could be transported more easily and cheaply and need fewer helpers; go out of business; or return to the type of magic depending more largely upon dexterity and personality. A number of magicians followed each course.

Perhaps the most difficult part of the business of magic is getting material. We are frequently asked:

Sources of the tricks

"WHERE does a magician get his tricks? That is, does he buy them, invent them, or steal them from others?"

The usual answer is to say that those are a few of the ways of getting tricks and let it go at that. Now and again one magician does steal another's invention but it is a comparatively rare act which speaks well for the high ethics of the craft, because magicians have none of the usual legal protection.

A magician rarely patents a trick because, immediately it is patented, any inquiring reporter can get from the U. S. Patent Office, for a few cents, a complete description, with detailed drawings, of the mechanism used. An article in a newspaper or magazine disclosing the secret of a trick, of course, immediately makes it worthless for public presentation. It is not possible to copyright a trick.

Now, with those two safeguards taken away, how many other businesses could rely on the ethical standards of their competitors. Magicians also consider it unethical to copy the idea of another's trick even if they can devise other methods for gaining the same ends. This is a standard the rest of the business world seldom considers.

Some tricks are very old and are now considered common property by the craft. Usually these old tricks form the basis for the act or show. Then also these old deceptive principles are used to produce more modern effects and so more tricks are added. Then, if the man is worth

his salt, he will have several tricks of his own devising. It is almost impossible to say quite how a trick is originated but the two general methods are to get an idea for an effect and then devise a way to perform it, or think of a method and then devise some way to utilize it.

Another of the demands of the managers has been speed. It is a better show in their opinion if a great many tricks are performed in the time allowed for the act. The result has been that, without the proper presentation which time alone permits, the magic frequently becomes unconvincing and the audiences are merely confused instead of being entertainingly mystified. If time does not permit an audience to be satisfied that the hat is really empty or that it is a rabbit that by magic is brought into the hat, there is no mystery.

The magician is obviously better who performs five miracles in 20 minutes than one who rushes through an exhibition of 20 unconvincing and confusing feats in the same time. The magicians finally have come to realize this even though Horace Goldin, by a unique ability, is able to produce mystery even at a breakneck speed. Many of today's most successful magicians exhibit few feats of magic in their acts. This is true of Ade Duval, Cardini, Tommy Martin, Glen Pope, Le Paul, Miaco and others.

The few really big shows left are made to give many

(Continued on page 102)



HARRY A. SCHEEN



Cardini demonstrates that personality is more important than "flash." His equipment consists only of playing cards and cigarettes

Jack Gwynne and his assistant contemplate the stack of goldfish bowls produced from the silk scarf he is holding

Why THEY CHOOSE THE "COMPTOMETER"



FULLER BRUSH COMPANY:

"The 'Comptometer'—Peg-Board plan is best for us. . . . We have saved more than \$3600 a year by the installation of 'Comptometer' methods."



THE ATLANTIC REFINING COMPANY:

"We have saved many thousands of dollars by the institution of a centralized 'Comptometer' department and establishing standards of performance. . . . 'Comptometer' methods enable us to secure production, costs, sales, and statistical figures several days earlier at less expense."



FRUEHAUF TRAILER COMPANY:

"Since the 'Comptometer' is extremely flexible and performs all kinds of figure work with high speed and unvarying accuracy, we are able to meet constant changes quickly and without confusion. . . . We have standardized on the 'Comptometer.'"



GENERAL ELECTRIC COMPANY (Incandescent Lamp Div.):

"We use the modern, high-speed 'Comptometer' (Electric Model K and Standard Model J) on all kinds of figure work—profit and loss statements, balance sheets, unit costs, general statistical work."



BORDEN'S PRODUCE COMPANY, INC.:

"The flexibility and simplicity of the 'Comptometer'—Peg-Board combination appealed to us. . . . Our experience with the 'Comptometer' has been highly satisfactory from the standpoint of speed, economy and accuracy."



BRIGGS MANUFACTURING COMPANY:

"The record of our experience over a good many years has convinced us that our figure work can be handled most economically on the 'Comptometer.' This outstanding economy is the result of high speed and extreme flexibility combined with accuracy."



UNITED AIR LINES:

"We are becoming increasingly dependent upon the 'Comptometer' in handling our accounting work (ticket auditing, payroll, statistical and general accounting) with speed and accuracy."

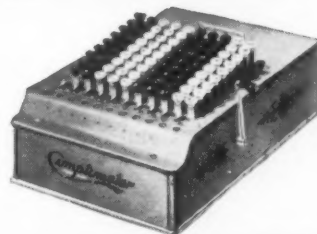


SHEFFIELD FARMS COMPANY:

"The 'Comptometer'—Peg-Board method has effected substantial savings in both time and actual money. The 'Comptometer' enables us to maintain a fast, accurate control of figures at all times."



Permit us to show you (in your own office, on your own job) why so many progressive businesses, large and small, are enthusiastic about "Comptometer" methods. Telephone your local "Comptometer" office, or write direct to Felt & Tarrant Mfg. Co., 1712 N. Paulina St., Chicago, Ill.



COMPTOMETER

Reg. U. S. Pat. Off.

No Business Can Escape Change

"What's new?" might be our monthly greeting. The answer shows the month's value

1 • A NEW method permits the electrolytic formation of almost any color on many base metals. The colors produced are inorganic, contain no pigment or dyes, and are light fast and free from fading. All colors are produced in the same bath.

2 • ACIDITY of solutions, such as in electroplating, also alkalinity can be accurately determined within a few seconds right at the tank by a new series of test papers which are calibrated from pH 0.9 to pH 6.7 and pH 9.5 to pH 13.5.

3 • A RIGHT-ANGLE portable electric drill just introduced has a possible working clearance of only 2 $\frac{3}{4}$ inches. The angle attachment can be turned and clamped in any position making it possible to drill in many places formerly inaccessible. It weighs three pounds and is 9 $\frac{1}{4}$ " over all.

4 • ELECTRICAL outlets may easily be made available where needed when a new channel is installed—in plaster, on the baseboard or above it. The cover of the channel is in short sections of which any or all may be replaced quickly by an outlet.

5 • A CHEMICAL to be mixed in small quantities with paint is said to prevent the growth of fungus on the paint and to prevent termites from boring through the film. It is particularly helpful in dairies, breweries, wherever moisture is present. It may also be used as a dip for lumber to keep out termites.

6 • A NEW line of luggage has stainless steel hardware and trim which adds strength and protects against travel abuse. And for the women, there is one piece with a detachable tray for easier packing and a device to help in wrinkle-free folding.

7 • A NEW paint for factory windows is designed to keep out heat and glare without interfering unduly with light. It flows easily on smooth glass surfaces.

8 • BLACK and colored lead for mechanical pencils is now packed in transparent containers so that the owner may check his stock at a glance.

9 • A DUPLEX coat hanger permits the hanging of two garments in the space of one yet each is always visible and either may be easily removed.

10 • A NEW cigarette tray designed to prevent scorched furnishings is made so that a lighted cigarette, neglected too long on the rest, will be automatically dumped into the center of the tray where it can burn out in safety.

11 • AN INEXPENSIVE control for room lighting turns the artificial lights on or off as required by changes in the natural light. The light is measured by a photoelectric cell. The electric control is connected between the wall socket and the lights so that the whole system may be turned off when not needed.

12 • LEATHER, made elastic, is now available for women's shoes. The natural flexibility of the skins, lost in tanning, is restored and they are backed with an elastic which makes possible glove-fitting shoes. Soon available for men's shoes, too.

13 • A NOVEL thermometer for hot liquids is floating, all-metal, non-breakable. Spherical in shape, the temperature scale is engraved on the outside. When dropped in the liquid it floats with the number indicating the temperature uppermost.

14 • A TYPEWRITER designed to give strong, clear type impressions for photographic work uses a carbon paper ribbon. It is electrically operated making uniform type bar impressions.

15 • A NEW time recorder is said to save time by its one-hand operation. It prints on the face of the card. Tardy or irregular registrations may be printed in red.

16 • A NOVEL jar for syrup, honey, and salad dressings dispenses from the bottom without spilling or dripping. It rests on a cup-shaped base when not in use.

17 • A NON-RUBBING, self-polishing liquid wax colloid with a fragrant aroma is said to produce a pleasing, long-lasting, enduring surface, both water and dirt resistant.



22 • A NOVEL freezing tray for mechanical refrigerators permits the pieces of ice to be removed separately without thawing under a spigot. Caps prevent tainting by food odors and the trays are designed to prevent sticking to the shelf.

18 • AN INGENIOUS table which may be suspended over a bed or chair and the top tilted at any angle has one leg at the end and a firm though light foot. The top is 16" by 21", is adjustable from 25 to 42 inches high. The table folds into a small space. Is suitable for reading, serving, and many games.

19 • A PORTABLE instrument shows the Brinell hardness of metals such as rails, pipes, and others, without taking them out of service. The instrument with case and accessories weighs only 6 $\frac{1}{2}$ pounds, is compact, rugged.

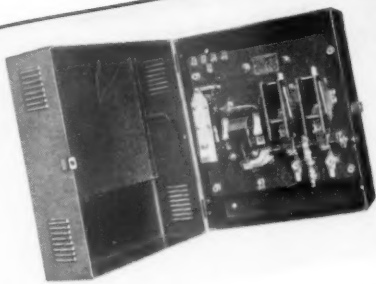
20 • A NOVEL repair material comes in a tube as a plastic but dries to a tough, elastic compound resembling rubber. It's waterproof, acid proof, resistant to electricity. Can be used for non-slip anchors for rugs, to repair frayed electric insulation, rubber hose, many other things.

21 • A LIGHTING unit of new design permits the examination of printed work, particularly pictures and colors, under much improved light conditions. Glare and undesirable reflections are eliminated by the use of polarized light. Illumination is more evenly distributed, too.

—WILLARD L. HAMMER

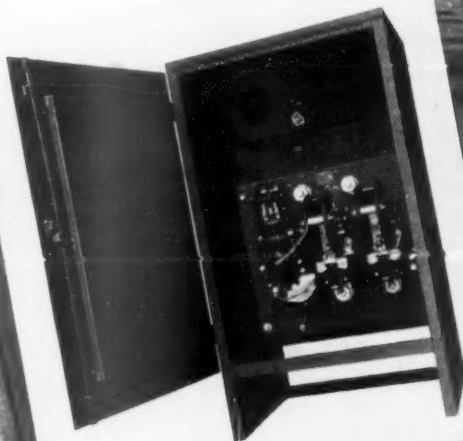
EDITOR'S NOTE—This material is gathered from the many sources to which NATION'S BUSINESS has access and from the flow of business news into our offices in Washington. Further information on any of these items can be had by writing us.

Making your automobile better and less costly



By means of a simple dial on the apparatus in this box, the split-second current flow may be varied from 1/20 of a second up to a half second.

Day-in-and-day-out high speed repetition of motion is essential in mass production. Cutler-Hammer Contactors perform with unfailing regularity; have been designed and field tested to meet modern welding requirements.



Welding floor and seat structures in large automobile plant. Two Cutler-Hammer 300 ampere welding contactors are shown above at right.

OVER the years, the quality and usefulness of the automobile have gone steadily up, while prices have moved steadily down. Behind the scenes, at the factory, you find the explanation of this typically American achievement.

"Behind the scenes" of course is too big to be described in anything smaller than an encyclopedia. But resistance-welding, one of the important factors in modern high-speed, low-cost production, is typical. For 1/20 of a second, tremendous current

surges through the metal, and two pieces of metal have become one. Sharp, clipped control of the current is essential, for if that twentieth varies as much as 1/100 of a second, the weld won't "pass."

Thus again, as in almost every useful application of electricity, Control is the key to success. Cutler-Hammer Welding Controls measure off these time intervals for welding as precisely as a micrometer measures ten-thousandths of an inch.

All is automatic; all is sure; the operator

simply guides his material and "starts" the control. CUTLER-HAMMER, Inc., Pioneer Manufacturers of Electric Control Apparatus, 1251 St. Paul Ave., Milwaukee, Wis.



Washington and Your Business

By HERBERT COREY

This is the Way Headaches Grow

Add the black of bituminous coal to the white of government foolscap and you have a headache. The man who buys coal thinks that the items that make up its cost to him are: the value of the coal in the ground, the expense of digging it, the charge for transportation, and the profits along the line without which business men will not risk their money. That seems as simple as butter.

When the Bituminous Coal Commission and the Consumer's Counsel got at their job they jointly and bitterly began to fear that 9,000 different prices might have to be fixed for soft coal. Then the number was raised to 30,000. It might become 100,000 different prices. It just shows you what Government can do when it really gets to bending its brows.

Deep Stuff for Coal Consumers

SOMETHING like half a billion tons are produced annually in the 23 coal districts. This could be doubled at need. Every little ton, it seems, has its own little kink. Some coals are gaseous, some are full of clinker, some are loaded with sulphur. A coal that is grand for one kind of burning is worthless for another. Even the prevailing winds should be taken into consideration by the coal buyer. My dim understanding is that if he suffers from an east wind he should buy only a multiple of Grade XXY times 401,234, for which he should pay no more than \$12 if the men in the factory wash their own necks. Pretty deep stuff.

Coal Operators In the Deep Hole

I AM forbidden to quote him but one of the leading government arithmeticians says that coal operators never do make any money. They live on their savings, he says, until a war comes along or some other external reason forces a coal shortage. Then they fatten up against the next dip. He thinks the operators should get higher prices and that the railroads should carry the coal at lower rates. The railroad men say this is absurd.

"If the ICC gives us the freight rates increase we have asked, the consumer will hardly be able to find it on his bill. It will keep us out of bankruptcy."

He said that, if business had continued to increase, "we would have chinned it." But, since 1932, material costs have increased 40 per cent, wages 18 per cent and taxes 23 per cent. Then the rates were cut ten per cent.

"We are doing a better job of railroading than we ever have before. We are hauling faster, at less cost, with fewer delays and more convenience. But we cannot keep it up. If Government keeps on tearing us down American roads will be going into bankruptcy."

Little Man Will Get the Check

THE sappiest man in the crowd always gets the check. The railroaders say that, unless they are given a chance to make the railroads pay, government ownership is just around that familiar corner.

That is precisely what the Government's authority

who was previously quoted says about the coal mines.

"If the operators cannot make money the industry must be nationalized."

There is not on record any case of any government handling any business more efficiently, honestly, or economically than its private owners did. When the Government loses money in handling a business who picks up the check?

Pollyanna Has Been Released

WHEN the packers met at Chicago the economists gave them bad news. Much of it was publicly told. The rest was not so coyly whispered in the packing ear.

"If this country does not stop throwing money away to people who do not deserve it, balance the budget, get taxes back to a livable level, it will be in for the most complete set of hard times on record."

The executive head of one of the great food chains tells me he has given his people the same talk:

I told them we've got to quit playing Pollyanna. We can't kiss ourselves out of this hole. There is still time to correct some of the errors Government has made in relation to business. If this is not done we are in for tough sledding. Material and wholesale prices are going up, retail prices are being forced to follow, and we have struck consumer resistance. So many industries have been compelled to restrict new and replacement buying and shorten their pay rolls that consumer income has been collapsed.

There are 300,000 grocers in the United States and 64 per cent of them do business on a yearly gross of \$10,000. Chain stores average two per cent profit on their turn-over, but even if the smaller grocers average six per cent—which they do not—the average income of the 64 per cent would be only \$600 a year.

Bowing Toward Beef an' Dolan

BEEF AN' DOLAN made a fortune on Park Row in New York because he could shave corned beef thinner than a step-aunt's kiss.

"The thickness of a hair would ha' ruind me," he said.

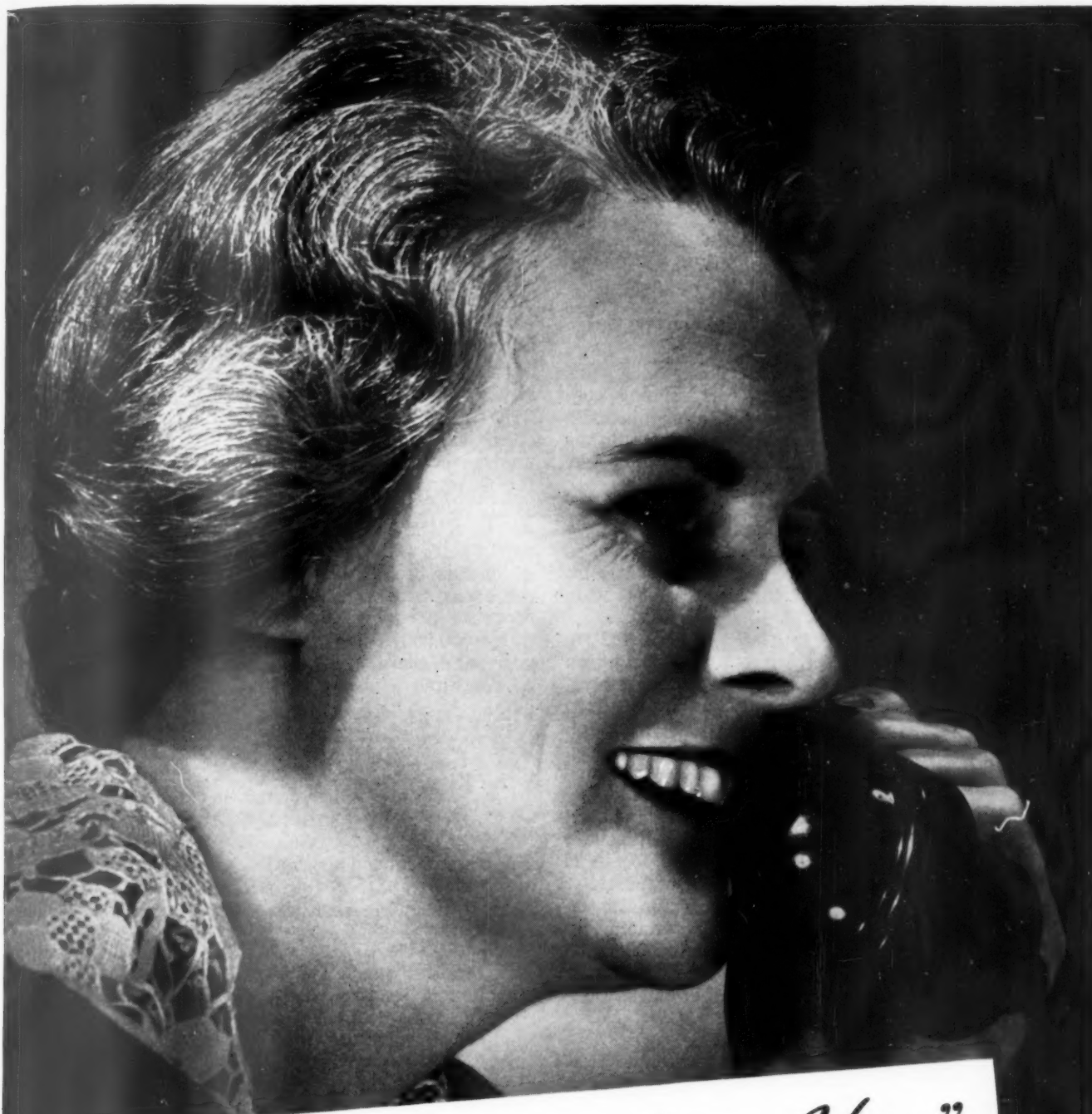
The head of the food chain said that he knew of one organization that made \$500,000 last year by cutting its metaphorical corned beef thin. This year government imposed the social security tax, wages were increased, and the nice balance was disturbed. On the same volume of business the company is in the red.

Sharpshooting at Social Security

CONGRESS evidently intended that the money employers and employees paid in under the Social Security plan was to be invested in government bonds by the United States treasurer, the bonds to be bought in the open market.

That's what Congress thought.

But Secretary Morgenthau merely rolled an entirely new and unused set of bonds out of the presses instead of buying bonds in the market. The year's social security intake will be about \$1,250,000,000. At the end of the year, then, the United States will owe \$1,250,000,000 on the new bonds and another \$1,250,000,000 to the secured workers, making a total of \$2,500,000,000. Or is this silly arithmetic? Or could the United States take the new bonds out of the Treasury and turn them over to the secured workers and thus be \$1,250,000,000 cash ahead? These are mere brain-dusters, of course. The only thing



"It's Good to Hear Your Voice"

THE tinkle of the telephone is a welcome sound in millions of homes. This day, the sun will shine brighter for some one because you called.

The telephone is important in the everyday affairs of life—vital in emergencies. But that is not the whole of its service. Its value grows because it helps to keep folks closer—makes this busy world a happier, cheerier place to live in.

Friendship's path often follows the trail of the telephone wires.

LONG DISTANCE RATES ARE LOW

Your friends will be glad to hear your voice and you'll be surprised to see how little it costs to telephone Long Distance. Rates to most points are lowest after 7 P.M. and all day Sunday. Then 3-minute station-to-station calls cost 35c for about 90 miles; 50c for about 150 miles; \$1 for about 425 miles.

BELL TELEPHONE SYSTEM



known definitely is that the pot of gold has been found at the end of the rainbow.

"Read, Brother, Read with Care"

A CARELESS reader might find in President Roosevelt's recent statement that, for the third time this year, the estimates of the federal financial position had been proven wrong a suggestion that it was all the fault of an over-spending Congress. Carelessness of this sort is reprehensible.

Inquiry reveals that 97 per cent of the difference between the April estimate and the sad fact was due to a \$255,000,000 drop in revenues. Only three per cent, or \$21,000,000, was chargeable to spending by Congress. The net addition to the deficit was \$277,000,000.

Get a Laugh out of this Story?

THE tax expert said that, when English royalty was running hog-wild with the country's guineas, a tax was imposed on windows. So the windows were bricked up. The blanks may still be seen on English walls.

"We have a worse tax right now," said he.

A corporation sold surplus plant for \$50,000, taking a loss of \$50,000 on it. Its earned income was \$50,000, so that the actual loss would balance the actual profit. But, what with normal taxes and surtaxes, the corporation paid \$24,000 to the Government.

Just a Shift, But not a Cut

MESSRS. Vinson and Doughton of the House are the actual assessors of the national taxes. Both have indicated that the spots on which the tax impact have been mostly felt may be rearranged. There seems no hope that the total tax take will be lessened, but the money may be taken out of other pockets of the taxpayer. Senator Harry L. Byrd of Virginia thinks the Treasury could be helped if the \$55,000,000,000 of state, local and national obligations which are now wholly or partially tax exempt could be taxed, and a tax imposed on the tax exempt pay of federal and state employees amounting to \$2,500,000,000. There are 850,000 federal and 4,000,000 state and local government employees. This recalls the stories printed in the newspapers available at the Congressional Library. They are all alike. "Tax Board Officials struggling with Problem."

The only struggle I've been able to discover is that the tax boards are trying to find some new way to soak the taxpayer.

A Big Hand for Bridgeporters

MUST be careful about these blanket charges, however. L. M. Nichols of Bridgeport, Conn., replying to my invitation to cities which have cut their tax rate to come out and tell about it, reports that the tax rate has been dropped from 33.9 in 1932, including an extra of 4.6, to 28.6 in 1936; bonded indebtedness of \$1,125,000 has been retired, assessment values have not been increased and have been lowered by the normal depreciation, political graft has been sponged out, and there is a decent cash balance on hand.

My awed conclusion is that Bridgeporters are awake to their business.

The Tax-talk Way to the Hoosgow

MAYBE the Bridgeporters can get away with it if they keep mum. To my complete and incredulous astonishment I learned the other day that the merchants of this republic are specifically forbidden to advertise the sum of the paid

tax as included in the price of an article. You do not believe it? Neither did I. This prohibition against wising the citizen up to the cost of government may be found in Section 1123, of the Revenue Act of 1926. Two topnotch lawyers jointly and severally asserted that the words meant just what they seemed to mean. This is made more perfect, if that is possible, by the congressional authorization of May 18, 1937, to the heads of the various executive departments and independent establishments to discontinue printing the annual and special reports which formerly aided the interested in discovering what is going on.

This is Fish and Game Warning

BUSINESS men interested in selling something to our federal Government should read the chapter in the new manual of the National Association of Credit Men which deals with contracting with the United States. It was written by Col. O. R. McGuire, general counsel of the office of the Comptroller General, who has had the unpleasant duty of pointing out to business men that the Government has two strikes on them before they get to the plate. He is a member of the special committee of the American Bar Association—Ezra Pound and James R. Garfield are two other members—which has been trying to get a law enacted simplifying departmental practices for the benefit of the wild life that does business with the Government. There were 650,000 cases in one department alone last year, and there are 130 governmental organizations. A contested claim means about three years delay now.

If the Kissing's Over, Let's Tell

TREASURY officials have indicated that the Government new-money borrowing in the bond market is finished. Short-term borrowing will continue as required, but long term issues are at an end at least for the present. But, according to the *Wall Street Journal*:

The distinction between a cash balance and a complete balance is due to the Treasury's increasingly important handling of trust funds.

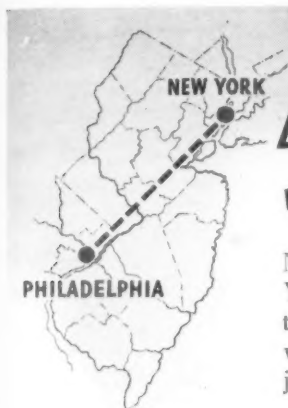
In the first quarter of this fiscal year, the Treasury transferred to trust accounts \$241,000,000. One of the items was for \$145,000,000 for the unemployment fund, which was contributed by and is the property of the states. This was invested in a special series of bonds, bought directly from the Treasury and not in the market. The reserve funds of the states became cash in the Treasury; just as do the contributions of the social security plan.

It is being pointed out with increasing muzzle velocity that, if these funds were used to take bonds off the market, a good end would have been served and the presumable purpose of Congress carried out. As it is, the money is being spent and more bonds are entered in the Treasury's account as outstanding.

Usually Lewis Has Shot First

JOSEPH OZANIK is the president of the Progressive Mine Workers, which is the body that holds John L. Lewis and his United Mine Workers at bay in some mining fields. In the A. F. of L. convention at Denver, Ozanik made the kind of a speech about Lewis that Lewis has been making about other people. The convention directed that Mr. Ozanik's charges be placed before the Civil Liberties committee of the United States Senate with a request that they be investigated. The A. F. of L. now recognizes the Progressives.

Meanwhile the story is persisting that the U. M. W.



LINKING THE TWO GREATEST CITIES OF THE EAST...

WITH LIGHT-WEIGHT, STREAMLINED SERVICE

NINETY MILES separate Philadelphia from New York. Not far, as we moderns measure distance. But young Ben Franklin, trudging southward to seek his fortune, took a week for the journey.

Footsore soldiers . . . saddle-weary patriots . . . founders of the new nation, jolting across Jersey in their slow-wheeled coaches . . . how well they knew those ninety miles!

Travel between New York and Philadelphia has been improved many times through the years, but never more dramatically than today. *For a light-weight, streamlined, high-speed train now links the two great cities with a new kind of travel-comfort!*

The Reading Company can well be proud of this most modern of trains. Its five Budd-built, light-weight, stainless-steel cars are pulled by a streamlined steam locomotive. From headlight to observation lounge it is a thing of gleaming beauty . . . swift . . . smooth-riding . . . luxuriously appointed.

Styled by Paul Cret, the new Reading streamliner has all the innovations that are attracting travelers to other Budd-built trains on railroads

from Maine to the Pacific. There is a separate smoking lounge in each of the four 56-passenger cars. The fifth is a dining-car containing both a 24-passenger dining-room and a 27-passenger cocktail lounge. The train operates on a fast schedule of two round trips daily.

For the first time the Middle Atlantic States can enjoy the advantages of Budd's truly light-weight train construction. Budd builds these cars of stainless steel, which has four times the elastic strength of ordinary steel — twice that of other alloys. Welded by the exclusive Budd SHOTWELD process, they weigh from forty to fifty per cent less than conventional equipment, yet they are fully as strong and safe.

Wherever Budd trains are in service, they have brought new pleasure and new comfort to rail travel . . . along with new revenue to railroad managements.

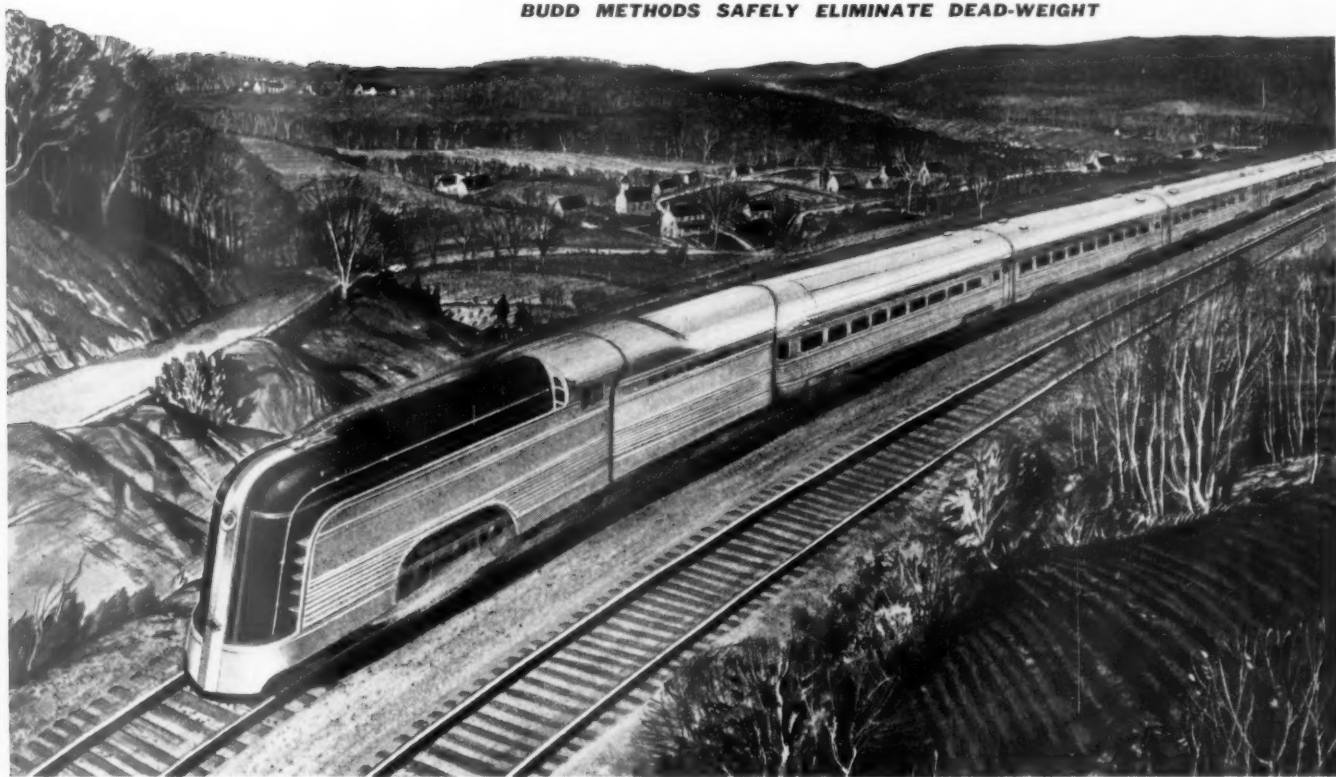
Originator of ALL STEEL bodies for automobiles, now used almost universally, the Edw. G. Budd Manufacturing Company has pioneered modern methods in the design and fabrication of steel products.

EDW. G. BUDD MANUFACTURING COMPANY

PHILADELPHIA

DETROIT

BUDD METHODS SAFELY ELIMINATE DEAD-WEIGHT



**THE WORLD MOVES
FORWARD WITH STEEL**

So they ran an **AERIAL TRAMWAY UNDERGROUND!**

375 MILES SOUTH of the Rio Grande, a mining company found a rich body of ore containing silver, lead, zinc, and copper.

It looked good...until they realized that between this ore and their nearest concentrating mill lay several miles of steep, rocky terrain. That meant prohibitive haulage costs. So the owners called in the tramway engineers of the American Steel & Wire Company (United States Steel Corporation subsidiary), old hands at wrestling with such problems.

Their solution was simple—startlingly simple. They combined two haulage systems in one. Since nothing could approach the efficiency of an aerial tramway for the overland haul, they simply decided to extend the tramway underground!

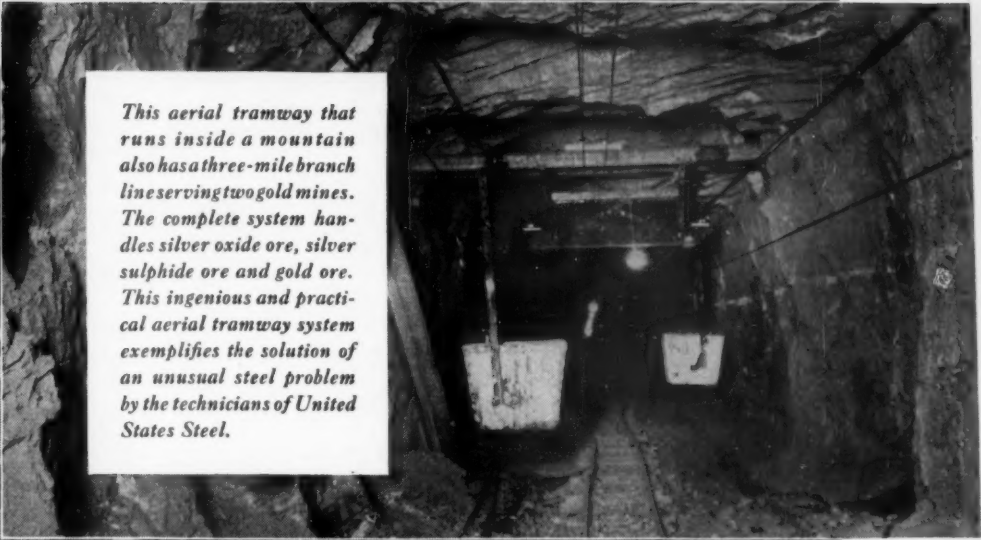
So today miners are loading ore directly into half-ton buckets on an aerial tramway inside a mountain. In the tunnel, the buckets travel over an aerial track cable for more than 3,000 feet, then swing quickly over about one mile of rocky ridges and, dump... the ore is in the crusher! Time? Sixteen minutes. Cost? Less than 2½¢ per ton mile over “impossible” terrain.

Unusual problems are the everyday diet of the United States Steel Corporation subsidiaries and the technicians who adapt steel to our customers' needs. Whether your problem requires patient research, or simply an open mind and engineering ingenuity, they will find the solution most advantageous to you. So “put it up to Steel.” Any of the Companies listed will welcome your inquiry.



AMERICAN BRIDGE COMPANY • AMERICAN STEEL & WIRE COMPANY
CARNEGIE-ILLINOIS STEEL CORPORATION • COLUMBIA STEEL
COMPANY • CYCLONE FENCE COMPANY • FEDERAL SHIPBUILDING
AND DRY DOCK COMPANY • NATIONAL TUBE COMPANY • OIL
WELL SUPPLY COMPANY • SCULLY STEEL PRODUCTS COMPANY
TENNESSEE COAL, IRON & RAILROAD COMPANY • UNIVERSAL ATLAS
CEMENT COMPANY • *United States Steel Corporation Subsidiaries*

UNITED STATES STEEL



This aerial tramway that runs inside a mountain also has a three-mile branch line serving two gold mines. The complete system handles silver oxide ore, silver sulphide ore and gold ore. This ingenious and practical aerial tramway system exemplifies the solution of an unusual steel problem by the technicians of United States Steel.



are getting tired of being checked off for the benefit of the CIO and that Lewis is having trouble holding his men in line. Those inclined to accept this at par should be reminded of the dangers inherent in wishful thinking. The only definite statement that can be made is that if Mr. Ozanik and Mr. Lewis confront each other before the Senate committee the occasion should be nothing less than gaudy.

Ear on Ground Hears a Murmur

ONE labor leader who has his shoulders dusted free of chips before he goes out in the morning said that it is just too bad that Edward F. McGrady—formerly the ace smoother-out in the Department of Labor—took that job with the Radio Corporation:

"The body of labor is getting pretty tired of the battles of its leaders," he said.

"We want peace in labor ranks and friendly relations with our employers. If Ed McGrady were available it might be possible—emphasis on the 'might'—to make him a kind of chairman of the board of a sutured A. F. of L. and CIO with power to act. But he is no longer available."

This is the Way Germany Does it

A BUSINESS man returning from Germany states that he found two new things.

One was a phrase. The other was a fact. The first was:

"The primacy of politics over economics."

No one in Germany, he said, speaks of "planned economics." The fact is that stockholders have about the importance of an iron dog on a lawn now. They may elect members of the directorates, but the directorates must have a "leader," who is responsible to the Government and does its bidding, and the directors have nothing to do except play with their watch chains. Hence the "primacy" sentence.

48 Tariff Walls in the U. S. A.

REPRESENTATIVE Wright Patman's new plan for biting links out of the chain stores is regarded by the harassed executives of these organizations as a humdinger. Patman proposes to forbid any chain operating except in the state in which it is incorporated, and also to ban interlocking personnel between states.

The Standard Oil Company was once torn to pieces by law but came back stouter than ever. Patman thinks his plan will prevent anything like that happening to the chains.

"If he could have such a bill made law—and he cannot—and it stood the test of the courts—which it would not—we would pull some fast ones ourselves," said a chain store man. "If retail chains were not permitted to operate outside of the state in which they are incorporated, then wholesale stores would be likewise confined to their parishes. And if stores must stay at home then business of all other sorts must do likewise. If Patman's bill became law he would in effect have set up tariff walls around each of the 48 states. In that case what becomes of the Interstate Commerce Act and the railroads and the ICC—"

Now the District Doubles as Dog

IF THE Government revenooer is telling the truth, and it is cattle to canaries that he is, the District of Columbia was cast as the dog on which an experiment was tried out:

similar tax on all business in the United States would have been introduced, and with the unselfish example of the District of Columbia before it, Congress would likely have made it a law.

The revenooer grinned pleasantly in admitting that the business men of the District acted like holy martyrs equipped with sound effects. The idea, he said, is to be dropped.

Isn't it Nice to Be in Business?

THIS story is neither moral nor instructive. A partnership in Baltimore did a big business but made no money, and was dissolved. One of the two previous partners died. The Government learned that the partnership had had an agency in the District of Columbia and came down on the surviving partner for the two-fifths of one per cent tax on gross receipts:

"But," said he, "we made no money. My partner died and left no money."

"So what?" asked the revenooers. "Pay or we'll get you."

The surviving partner had started business afresh and has an agent in the District. The revenooers stood watch and ward to catch the trucks bound from Baltimore to the agent laden with whatever-it-is the partner sells. So the agent lost his agency and is looking for a job. Is everybody happy?

Anyhow, it is a Pleasing Story

PEOPLE who should know what they are talking about say that SEC Chairman Douglas is coupled with the Federal Reserve Board in urging on the President the advisability of letting up on the utilities in order that they may feel safe in beginning construction activities again. Not that Douglas advocates any important revision of the "Death Sentence" Act, although he may favor easing up on its application.

Those quoted have a high opinion of Douglas as a level headed economist, even if they do not often agree with his arguments.

"At least he is not out with a scalping knife."

On one previous occasion the utilities promised \$3,000,000,000 in new building contracts if they were not unjustly penalized. With the lapse of time the sum of needed expenditures is estimated at half as much again. Five billion dollars' worth of new business would go far toward restoring normal balance in trade.

Pity the Poor Stockholder

THE U. S. Bureau of Foreign and Domestic Commerce recently issued a significant booklet entitled "National Income." Although the use of gas and electric utility services has increased and gross income has increased with it, the utilities are far behind industry as a whole in their dividend payments. At the same time the utilities are paying more interest on long term debt than in 1929, although the other industrial divisions have been able to reduce their debts and their interest payments in that period. To be specific, the gross revenues of the utilities increased by \$105,000,000 from 1929 to 1936, their interest payments in 1936 were 115 per cent of the 1929 interest, and in 1936 they paid only 67.5 per cent of the 1929 dividends. All industrial divisions paid 90.5 per cent of the 1929 dividends and only 82.2 per cent of the 1929 interest total. The decrease in utility dividends is ascribed to the boost in taxes, increased operating costs and decreased rates.

Many of the utilities have been compelled to pay interest on borrowed money quite out of line with the interest charged other industrial divisions, because of the governmental antagonism.

YOU CAN SPEED ALL ACCOUNTING WITHOUT AN EXPENSIVE MACHINE



LOW-PRICED MODEL "20" PROVIDES MULTIPLE POSTING OF RECORDS FRONT-FEED AND OTHER BIG MACHINE FEATURES

OWNERS and managers of large and small companies are spreading this news. . . . "You needn't buy elaborate, expensive equipment to have machine-posted records." The Remington Rand Model "20" gives you this economy for little more than the price of a typewriter. You save money by eliminating needless duplication on all accounting applications.

Model "20" posts several related forms at once, for accounts receivable, accounts payable, sales expense distribution and payrolls. With its unique front-feed carriage, electric carriage return, palm and decimal tabulation, and single-stroke date key, this low-cost machine is a marvel of operating ease.

Size of your company is not important. It's the efficiency you desire that counts.

Let Remington Rand prove the speed and economy of Model "20" in your office on your forms. Mail the coupon or phone the Remington Rand office in your city for a free demonstration.

POSTS SEVERAL RECORDS AT ONE TIME

Payroll accounting is just one example of the savings with Model "20." In a single posting operation this machine prepares employee's wage record, check with deduction stub (or pay envelope) and payroll journal.

Ok.. it's from **Remington Rand**

MANUFACTURERS OF ALL TYPES OF OFFICE MACHINES AND SYSTEMS EQUIPMENT, PROVIDING COMPLETE INSTALLATION AND FULL RESPONSIBILITY.

Remington Rand Inc., Dept. 212
465 Washington Street
Buffalo, New York

Please send me, without obligation: ☐ Full details on the Remington Rand Model "20," ☐ I would like a free demonstration in my office.

Name.....

Address.....

City..... State.....

MEMO...

for Busy Readers

- 1• Workers view retirement 2• Taxes pinch rich and poor
3• Bureaucracy has a way of growing 4• The home kitchen
still does business 5• Life is something to laugh at

One Man's Rave MIDDLECLASS workers in 43 states named an average figure of \$121, about half way between the Townsend pension and the maximum Social Security allowance, as an adequate monthly income for comfortable retirement, and named 60 as the age at which they hoped to retire, in a survey of 25,000 policyholders, mostly heads of families, made by Northwestern National Life Insurance Company.

Six per cent of the income earners queried in the survey said they never wanted to retire. "What would I do to kill the time?" "Not as long as I can turn my hand over," "Not before I'm 100 at least," were typical replies received from this rugged minority, in response to the question, "At what age would you like to retire?"

As the average income of the men and women included in the survey is \$190 a month, the average figure of \$121 chosen by them as adequate for comfortable retirement is approximately two-thirds of their current earnings.

Where Taxes Pinch the Most

AMERICA'S tax system is now geared to pinch most sharply at both ends of the scale. A man with an annual income of \$1,000,000 must pay 80 to 85 per cent of it in taxes. A rural dweller with only \$500 cash income must pay a higher percentage than the man whose income is \$1,000 or \$2,000. These conclusions are drawn from Dr. Mabel Newcomer's study of taxes in New York and Illinois. Her revelations will be published in a volume of "Studies in Current Tax Problems" by the Twentieth Century Fund.

All the taxes—federal, state and local, direct as well as hidden—paid by an individual, were added together to get at the total tax figure. Dr. Newcomer reports that in general as total income rises the percentage paid out in taxes increases. This progressive increase in tax burden holds relatively steady through moderate income ranges and then rises sharply as the very high incomes are reached.

Down at the other end of the scale, however, exactly the opposite tendency was found. With incomes of \$2,000 and below, where income and inheritance

taxes are not levied, the less money a man makes, the higher percentage of his income he must pay out in taxes.

An Illinois farmer with a \$2,000 income pays out eight to ten per cent in taxes. His neighbor, with only \$500 cash income, must pay 11 to 16 per cent in taxes. The same relationships hold good for wage earners. A worker making \$1,000 a year must pay out a higher percentage in taxes than the man who earns \$2,000.

Hidden taxes are the main cause of these disparities, according to Dr. Newcomer. She points out that the basic necessities of life, food, clothing and shelter, all bear heavy—though often hidden—taxes. There are direct sales taxes in many communities and everywhere there are all kinds of indirect taxes that manufacturers and other producers shift to the ultimate consumer. The less money an individual earns, the greater is likely to be the percentage of his income that must go for basic necessities and similar consumption goods. Hence the paradox, says Dr. Newcomer, that at the lower income levels the tax burden gets larger as the income grows smaller.

At the upper end of the scale, Dr. Newcomer observes:

The decidedly progressive nature of the tax system in the higher income groups is due to the income taxes, personal and corporation, and the death taxes. These taxes form the major portion of the burden of the wealthier group, amounting to 93 per cent of all taxes for the \$1,000,000 income under certain basic assumptions and an even larger proportion under other assumptions.

Present Country Excepted?

took occasion to define the dangers from "unabated pretensions of bureaucratic usurpation" in government. All the more deplorable, he asserted, were influences which were invisibly at work—"while refraining from any open attack on justice and freedom, they tended steadily to undermine them."

For example, he invited attention to the skeleton statutes put through Parliament toward giving authority to public departments for the issuance of or-

ders and regulations subsequently removed from the jurisdiction of the courts. And further, the device whereby ministers became immune to questioning in courts in respect of the departmental orders or decisions. To quote the Chief Justice:

This seems to be another way of providing that departmental usurpation or excess of jurisdiction shall go unchallenged and unchecked. And it seems pertinent to ask why ministers and some at least of the clever officials upon whom they so greatly rely, wish to put their orders, their regulations and their decisions beyond the reach of law. You may be inclined to think, as some of us do, that not the least sinister part of the whole business is that there is evidently in some quarters a determined wish and endeavor to escape superintendence and review by the ordinary law.

To recognition of the social amenities rather than to local obscurity of a universal political fact must be credited the Chief Justice's discreet preface to his comment, "It may be that in Canada you are wholly free from this plague."

Statistics Fresh from the Kitchen

GROWTH in size and sales of corporate bakeries has long been a sign of these convenience-loving times. That home baking is still practiced on a considerable scale is the suggestive revelation of a survey made in Fort Wayne, Ind., population 100,000, by Macfadden Publications. Although 79 per cent of the families bake at home, only eight per cent make their own bread. Biscuits ranked higher with a 49.5 per cent showing. How well pie is holding its own is indicated by its standing in the family baking list—94.5 per cent bake pies, 93 per cent bake cake, 74.2 bake cookies.

Jellies and jams are also a persistent product of home kitchens—66.3 per cent of the Fort Wayne families reported the practice of this domestic art. As for quantity, 40 per cent of the families put up more than 50 glasses of jelly and 42.3 per cent more than 30 jars of jam.

A Country of Laughter

WHAT'S America's No. 1 characteristic? Ice cream sodas, central heating, "flats fixed," "a dollar down," "the customer is always right"? All wrong. It's laughter, say two Russians who toured these states and put their impressions in a book, "Little Golden America." Here's a typical American conversation as they report it:

First American (smiling): How's business?

Second American (laughing): Very bad, very bad. How's yours?

First American (laughing uproariously): Disgusting! I lost my job yesterday. Second American (bursting with laughter): How's your wife?

First American: She's quite dangerously ill. (He tries to make a serious face, but vigorous, joyous laughter breaks out again.) Yesterday we called . . . ha, ha, ha . . . Yesterday . . . Oh, I can't bear it . . . yesterday, we called the doctor.

Second American: Really? Is that so? Oh, what a pity! (Laughing uproariously, slaps first American on the back.)

"Unforeseen events . . .
need not
so often change and shape the course of man's affairs"



" Him?
Why, he locks
barn doors,
son."

Come, come, Mr. Morrison—you're talking in riddles to the boy. You'll make him think Bill Hudson is a bit eccentric. Can't you hear the youngster snort—"Huh! Locking barn doors! What for?" Complete the sentence: "...before the horse is stolen." Then tell him it's a figure of speech. Tell him that Bill is a Maryland agent ...that his job is to protect men and their businesses against every-day hazards like a boiler blowing up, an embezzlement of funds, an automobile crash or an accidental injury...that he does lock the door for his clients against financial loss...that he is one of 10,000 well-trained men who are alert to provide Maryland protection for their clients through casualty insurance and surety bonds. And while you're on the subject, Mr. Morrison, you can tell the lad for us that we think Bill is doing a bang-up job.



THE MARYLAND

MARYLAND CASUALTY COMPANY • BALTIMORE

Representatives throughout the UNITED STATES, and in ALASKA, CANADA.

CUBA, PUERTO RICO, the CANAL ZONE and HAWAII

The Map of the Nation's Business

By FRANK GREENE

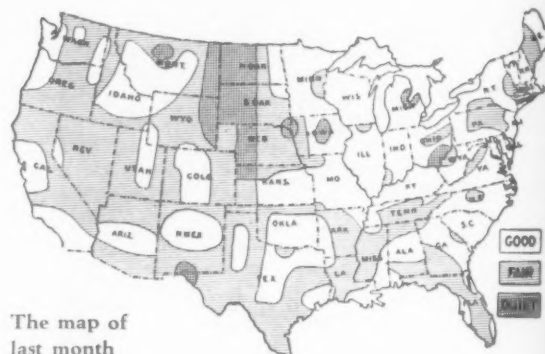


OCTOBER saw wider irregularity as the business world strove to readjust itself to enlarged food crops, a continued downward trend in security and commodity markets and the disposal, at extremely low prices, of the second largest cotton crop in history.

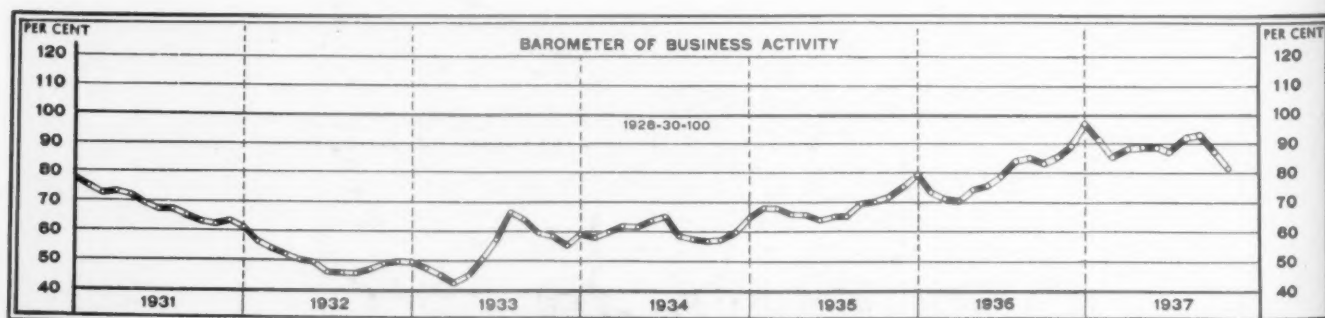
The iron and steel industry showed continued declines in production to the lowest point in months, with operations held in check until the automobile shows indicate the quantities needed for the new season. Carloadings for the first time in many months dropped below the 1936 totals. Electric power production eased off slightly but was still far above all earlier years.

Bank debits showed a small fractional decrease at New York but were six per cent above a year ago for the ten month period. Business failures increased seasonally during October and liabilities likewise rose moderately.

Lower grain and other commodity prices and the continued decline in business activity caused a further shading of the November 1 Map



The map of
last month



BASED ON INFORMATION SUPPLIED BY DUN & BRADSTREET, INC.

The acceleration of the downward trend in business and the heavy industries during October found reflection in a further sharp dip in the chart line

Seagram is Proud of its

Pedigree

BOTTLED IN BOND

To satisfy the Christmas-time demand for hearty old straight Rye or Bourbon, Seagram has now released from its vast treasure house an adequate supply of 8-year-old bottled-in-bond Pedigree. Behind this exquisitely rich whiskey are four generations of careful craftsmanship—a proud heritage of Seagram skill that dates back to 1857.

Seagram's Pedigree Straight Rye or Bourbon Whiskey comes beautifully packaged in a superb gift case... a splendid Christmas remembrance. The price is less than you might expect.

Copy, 1937, Seagram Distillers Corp. - Exec. Offices, N. Y.



Seagram's Pedigree

Richest of the Rich Whiskies

8 YEARS OLD, BOTTLED IN BOND
STRAIGHT RYE OR BOURBON WHISKEY

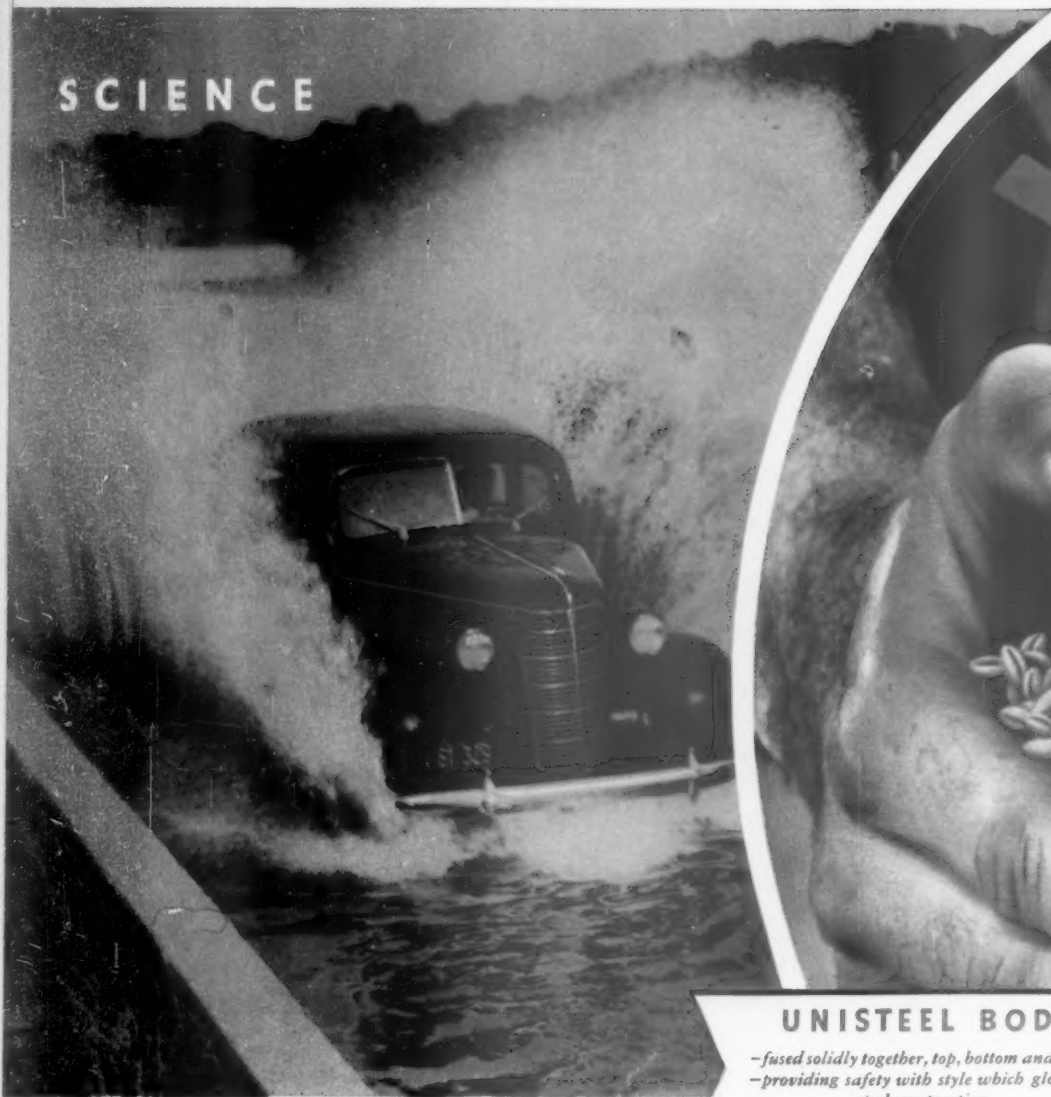
100 Proof, Bottled in Bond under the supervision of the Canadian Government.



*For the holidays...
think before you give...
give Seagram's Pedigree...
and be sure*



SCIENCE



THE "BATHTUB" on the General Motors proving ground is only one among scores of tests used to check engineering features on new cars.

OUT on the General Motors proving ground—in the research laboratories—along the assembly line—men are busy working to the same broad purpose. Their steady aim is to give the public *extra value*. The benefits of these activities are clearly shown in what you get for what you pay



UNISTEEL BODY

—fused solidly together, top, bottom and sides
—providing safety with style which glorifies steel construction

KNEE-ACTION

—the true gliding ride—makes every mile you travel more comfortable and assures better control of steering in emergency

HYDRAULIC BRAKES

—improved in design to match the flashing performance of the new cars with the safety of smooth and powerfully sure straight-line stops



GENERAL MOTORS ME

CHEVROLET • PONTIAC • OLDSMOBILE



TURRET TOP

—puts the safety of solid steel over your head in every closed car of the General Motors family

NO DRAFT VENTILATION

—keeps the air you breathe healthfully free from drafts and makes driving safer by keeping the inside of the windshield and windows fog-free

STREAMLINE STYLING

—matched to the popular taste and approved by millions of car-owners as the expression of modern beauty of design



SKILL

AN ARMY OF EXPERTS *mans every General Motors plant—specialists who insure the value of the whole by building worth into each part.*

when you buy any car in the GM family. How well these cars serve human needs—for more comfort—more safety—better performance—is known by millions of car-owners. The next time you buy a car, remember—General Motors means Good Measure.

MEANS GOOD MEASURE

ILE • BUICK • LA SALLE • CADILLAC

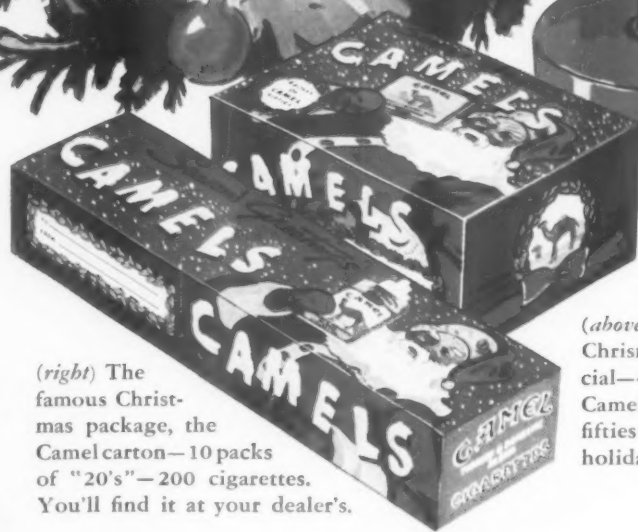


HERE'S WISHING
YOU ALL THE
HAPPIEST
HOLIDAY SEASON
EVER —

Camels

MADE FROM FINER,
MORE EXPENSIVE TOBACCOS

Give Camels for Christmas! There's no doubt about how much people appreciate Camels—the cigarette that's made from finer, MORE EXPENSIVE TOBACCOS. A gift of Camels says: "Happy Holidays and Happy Smoking!"



(above) Another Christmas special—4 boxes of Camels in "flat fifties"—in gay holiday dress.

(right) The famous Christmas package, the Camel carton—10 packs of "20's"—200 cigarettes. You'll find it at your dealer's.

(right) A pound of Prince Albert in a real glass humidort that keeps the tobacco in prime condition and becomes a welcome possession.



(left) One pound of Prince Albert—the "biteless" tobacco—in an attractive Christmas gift package.

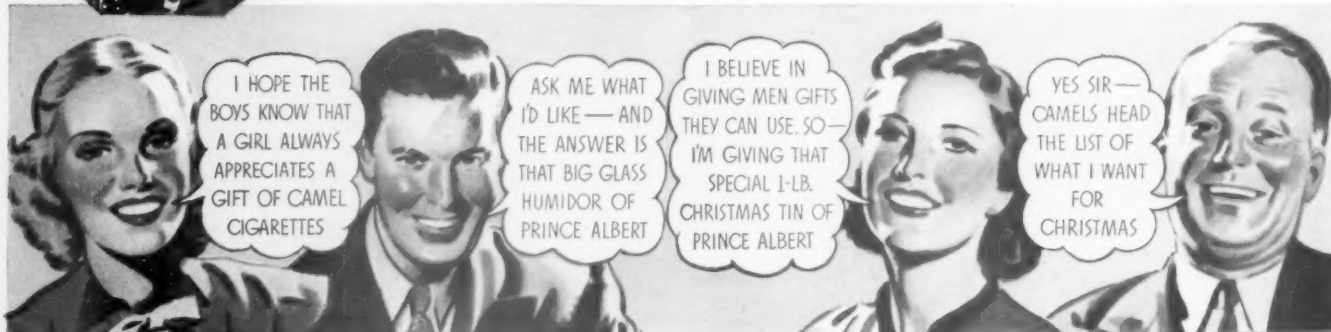


Prince Albert

THE NATIONAL JOY SMOKE

If you know a man owns a pipe—you're practically certain to be right if you give him PRINCE ALBERT—The National Joy Smoke. Beginners like P.A. because it doesn't bite. Occasional pipe-smokers find it's extra cool. And the regulars think it's tops for mellow taste.

Copyright, 1937, R. J. Reynolds Tobacco Company, Winston-Salem, North Carolina



I HOPE THE BOYS KNOW THAT A GIRL ALWAYS APPRECIATES A GIFT OF CAMEL CIGARETTES

ASK ME WHAT I'D LIKE — AND THE ANSWER IS THAT BIG GLASS HUMIDOR OF PRINCE ALBERT

I BELIEVE IN GIVING MEN GIFTS THEY CAN USE. SO — I'M GIVING THAT SPECIAL 1-LB. CHRISTMAS TIN OF PRINCE ALBERT

YES SIR — CAMELS HEAD THE LIST OF WHAT I WANT FOR CHRISTMAS

A School in Self Reliance

Employees of Alabama Fuel and Iron Company were encouraged to raise their own meat as well as fruits and vegetables



A. C. KIELY



Children were taught how to use gardening tools—to grow tomatoes, peas and beans for their mothers to can



BHAM VIEW CO.

Colored school children learned vegetable lore from tending their own plots near school house between and after classes

"I WANT every employee of this company to get rid of his rubbish heap and start planting flowers," Charles F. Debardelaben told his employees at a monthly meeting of the Alabama Fuel and Iron Company in 1926.

Within a year what had once been weedy plots and red clay barrens were covered with jonquils, roses, chrysanthemums—a panorama of color from early spring until late frost. Prizes were offered for the best gardens and dwellers in the camps of Overton, Acmar and Margaret competed for top honors. Mr. Debardelaben's trained flower growers were soon to become thankful for their lessons in gardening.

When the depression threatened to cut down employment, Mars Charlie, as he was known to his employees, requested that each family plant a vegetable garden and can a minimum of 100 quarts of vegetables and fruits. His request amounted to a command. The company would provide five acres of land and mules for plowing. To those who could not pay for seeds, it would extend credit.

The order included everybody from highest paid official to the poorest miner. Mars Charlie himself abandoned his imposing home on Red Mountain overlooking Birmingham and built a moderate priced white frame cottage in one of the camps, where flowers were set out and vegetables were planted.

While the Red Cross and the Government were trying to feed hungry thousands, employees of this company had food. They not only had enough for themselves, but gave again and again to the relief of those on the outside. There were whole families that spent scarcely a dollar a month on food.

They have not stopped their plowing and planting. Once again next spring will see these people preparing their gardens for the harvest that will later adorn their tables and fill their preserving kettles.

—MURIEL EMERY



A. C. KIELY

An employee's home in a coal mining village. Unsightly red clay barrens were transformed into flower gardens and well kept lawns

Milwaukee Helps Unemployed

IN Milwaukee, back in 1931, business men and citizens took action to solve the problem of the friendless job-seeker by establishing a Municipal Center for Unemployed Men. After six years' continuous operation, the Center is acknowledged a success. Mental rehabilitation of unemployed men goes on 15 hours a day and business men cooperate whenever possible by selecting additional help from ranks of the unemployed who frequent the Center.

The city of Milwaukee pays for maintenance of the Center and the school board provides the instructors to supervise all activities. Donations of money and supplies from business and other interested citizens help.

More than 2,500 men visit this Center every day. Everything is free. Meals and lodging are not provided, but each man has three big floors through which he can roam in comfort with many wholesome interests to claim his attention.

On the first floor is a wardrobe for coats and hats and tables for newspapers, magazines and cards. There is always a partner for a card game, whether the player prefers schafskopf, pinochle or rummy. In the rear are three billiard tables. There is no charge for their use, but players must observe a time limit.

The second floor boasts a gymnasium and hot or cold showers. On this same floor is a room fitted with wooden and metal puzzles for older men who do not care for athletics. The third floor includes a barber shop, tailor shop, wood working shop and shoe repair

Skilled, but unemployed worker makes gadgets to sell on street



A fully equipped gymnasium provides space for boxing tournaments, basketball and volleyball games



A game of chess keeps older unemployed occupied

department. Here men can mend and press their clothes under the supervision of an experienced tailor; shoes can also be repaired with old leather belting for soles. Boards, tools and supplies of all kinds for the wood working shops are donated by business men. The man who is handy with tools can often make worth while objects in the workshop and later sell them on the street.

The Center hums with activity every day. Seven trained men supervise all departments. They circulate among the men, try to learn what they like to do. No questions are asked about a man's past. The main idea is to get each man doing something constructive.

No marble mansion, this Center, but at least it is a warm and cheery home for many. With the encouragement offered here, scores of unemployed gain a foothold and go on again to useful places in the world.

—MARTIN FRANCIS

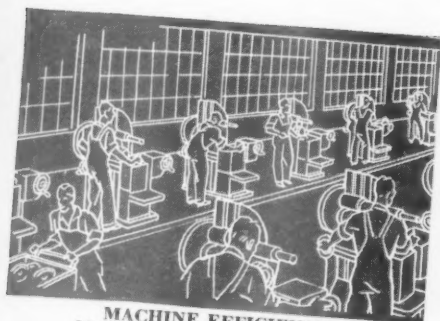


This four-story, old factory building houses the Social Center for Adult Unemployed

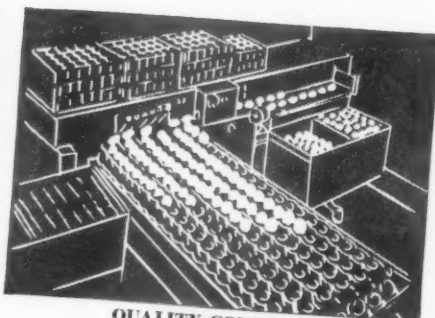


**INSPECTION COSTS HIGH?
QUALITY FALLING OFF?**

You Need Electrical Control



MACHINE EFFICIENCY
More Output with Less Supervision



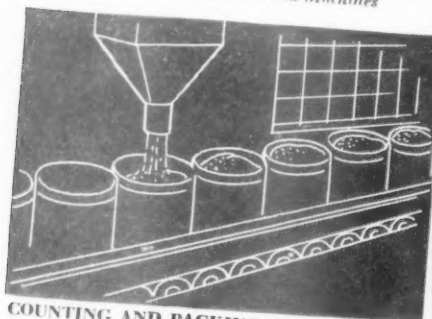
QUALITY CONTROL
Greater Uniformity—Fewer "Rejects"



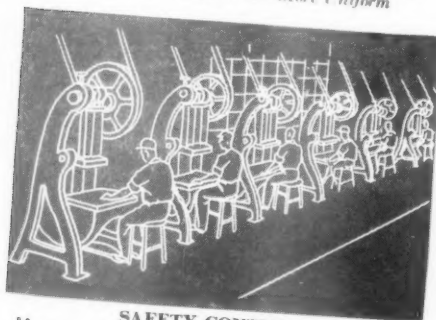
INSPECTION OPERATIONS
Inspection Time Cut—Greater Certainty



CENTRALIZED PRODUCTION CONTROL
Gets the Most Out of Men and Machines



COUNTING AND PACKING OPERATIONS
Quicker—More Accurate—More Uniform



SAFETY CONTROL
Maximum Machine Speed with Minimum Hazard

Electrical control of machines and processes not only saves money in production costs; it assures absolute control of quality as well. That is why electrical devices are assuming increasing importance in controlling and supplementing machine processes. ELECTRICAL CONTROL substitutes accuracy for error, speed for laboriousness, exact knowledge for uncertainty.

Automatic Electric's engineers offer a specialized service in the adaptation of electrical devices to industrial production operations. Forty years ago, they originated the automatic telephone, the world's outstanding example of electrical control applied to a basic industry. Today they are using the same principles and devices that made the automatic telephone a marvel of speed and precision to improve quality and cut costs in industrial production.

If you are confronted with problems of costs that are too high, or quality that is hard to control, it will pay you to call in an Automatic Electric control engineer. He will be glad to make a survey of your problems and make definite recommendations.

Address: American Automatic Electric Sales Company, 1033 West Van Buren Street, Chicago, Distributor for Products of:

AUTOMATIC ELECTRIC COMPANY
CHICAGO, U. S. A.

Originators of The



Automatic Telephone

YOU CAN DO IT BETTER WITH ELECTRICAL CONTROL

Seattle Finds Labor Peace

By CARL E. E. WEBBER

DESCRIPTION of a method by which a chamber of commerce, after months of industrial strife, removed the factors that were causing all the trouble

ATTACKED early in the current epidemic of labor disputes, Seattle business has had much time to experiment in dealing with contemporary labor troubles. Early attempts to solve these problems failed. But recently there has arisen a committee of labor relations which is succeeding in its job.

This committee is walking firmly where, a few months before, angels would have feared to tread. Its success is remarkable because only a short time ago Seattle business and Seattle labor were at loggerheads.

This condition could be directly traced to a militant attitude by both these partners in Seattle industry. Business had its organizations prepared to contest every labor demand no matter how well justified; chip-on-the-shoulder outfits which soon lost all vestige of public support because they often fought justified demands.

Labor likewise had its militant forces known as wrecking crews. These groups, made up of union members working independently and not responsible to union leaders, added several none too clean pages to Northwest labor history.

Business next tried a hands-off policy. This was prompted in part by uncertainty as to the Wagner Labor law and by local political conditions. Several strikes in this period gave Seattle an unenviable reputation throughout the country.

Deciding that this hands-off policy was getting the city nowhere, the chamber of commerce in January became instrumental in bringing together 14 men to form a committee of industrial relations.

As a result of this committee's work, Seattle was changed from a



Harold B. Embree, druggist, Mr. Ballard and Bill Lamberton, union business agent (left to right) discuss an employees' contract

strife-torn city to one of comparative industrial peace. In the first four months of its existence, the committee settled 41 disputes involving several thousand employees.

This was accomplished by no ordinary committee chosen at random. The group was decidedly hand picked from among individuals who had been eminently successful and fair-minded in their relations with labor. It was a group selected by the chamber to inspire the confidence of labor and the general public in its dealings.

A policy for labor

ONCE organized, the committee's first step was to formulate a guiding doctrine. They did not expect their policy to become another Declaration of Independence though its purpose was equally noble. Yet the policy decided upon, if followed throughout the country, might prove a real step toward national accord between business and labor.

In the words of the committee the policy is:

To foster and maintain a sympathetic understanding between employers and employees to the end that some of the major causes of industrial controversy may be removed.

To encourage fair wages, reasonable hours, and good working conditions as indispensable to successful labor relations and improved standards of living.

To build mutual confidence and good will between employers and employees as a basis for cooperation and civic advancement.

The entire policy may be summed up in the words, "sympathetic understanding," "fair wages," "reasonable hours," "good working conditions," "mutual confidence" and "good will." These are all noble terms and have been incorporated in other policies. The difference is that, in this case, they have been put to work.

To carry out this policy, the committee required an unusual executive. The man for the job had to be of broad vision, fair, able, and enjoy the confidence both of business lead-

Now - HIGHEST QUALITY OFFICE DUPLICATING

by an entirely new
low-cost method

Simply typewrite, write or draw exactly as on paper-perfect copies quickly produced



The new, unique duplicating medium that assures better duplicating is DupliMAT... a sheet of strong, specially treated paper on which anyone can easily place copy for duplicating with a typewriter, pen, ruling pen or brush

YOUR business, like others, requires quantity duplication of words, figures, lines and pictures on paper. Call them communications, forms, advertising, reports, records or what you will, they are important essentials that usually represent a sizable expense item.

But here's good news! Most of this duplicating can now be done by your own employees, with considerable saving. Duplicating of higher quality, by a simpler method... DIFFERENT FROM ALL OTHERS... is now available to any office!

Simply typewrite, write, draw, rule or trace on a DupliMAT as on any paper. Without special care to avoid wrinkling

or stretching, the DupliMAT is clipped to the machine which, within a minute, begins production. Copies are faithful to the original, in every detail.

Use standard papers, from light-weight bond to heavy post card stock. And because ink is laid on the paper, not soaked into it, both sides can be used. Big savings can be made in paper, ink and postage. Slip-sheeting unnecessary.

The compact, automatic electric Multi-graph Duplicator is remarkably simple. Anyone can quickly learn to operate it and produce a wider variety of higher quality duplicating, in one or more colors, closely registered.

ADDRESSOGRAPH-MULTIGRAPH CORPORATION, Cleveland, Ohio

ADDRESSOGRAPH-MULTIGRAPH of CANADA, LIMITED, TORONTO



INVESTIGATE!

Write on business stationery for the complete story of this new method in the booklet, "THE NEW MULTIGRAPH DUPLICATOR," with samples of work. And don't fail to see a practical demonstration!

The New LOW-PRICED, AUTOMATIC, ELECTRIC MULTIGRAPH DUPLICATOR

SEE A DEMONSTRATION—The new Multigraph duplicating method is now being demonstrated by Multigraph Sales Agencies. Consult principal city telephone books for address of office nearest you—see what this method can do for you.

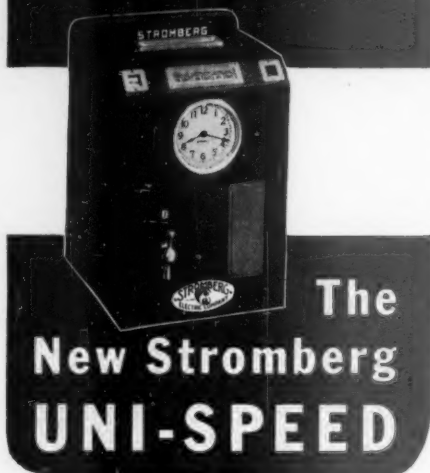
\$325

Convenient payments
DupliMATs, 12c each
in boxes of 50
Lower in quantities

All prices f.o.b. Cleveland. Moderately higher in Canada

ONE-HAND OPERATION

makes this New
TIME CLOCK
32% FASTER



•This amazing new Time Clock has two "speed" features that save many minutes for both employer and employees. First, it is one-hand operated, insuring a fast-moving line when employees are punching "in or out," and second, time card registrations are printed on the front of the card, making them easily and quickly read.

This new automatic Time Clock meets the requirements of any business, regardless of working hour schedules. It prints "late arrival" and "early departure" registrations in red, if desired, and in many ways cuts much of the timekeeper's routine work in half.

Ask about liberal trade-in allowance on your old Time Clock. Write today.

STROMBERG ELECTRIC COMPANY
225 West Erie Street, Chicago, Illinois
Stromberg Time Recorder Co. of Canada, Ltd.
284 King St., W., Toronto

SALES AND SERVICE OFFICES IN ALL PRINCIPAL CITIES
Manufacturers of In-and-Out Recorders, Time Stamps,
Job Time Recorders, Commercial and Advertising Clocks,
Program Instruments, and other Time Equipment



The Stromberg Auto-speed Time Stamp

A lightning-fast, one-hand operated time stamp. Completely automatic. Either trigger or push-bar type. A model for every business need.

1937 SEP 15 AM 11 57

MAIL THIS COUPON TODAY!

(Paste on postcard if you desire)
STROMBERG ELECTRIC COMPANY
225 West Erie Street, Chicago, Illinois
Please send me illustrated booklet containing complete information on: (Check) The New Stromberg Uni-Speed Recorder () ; Job Recorders () ; Time Stamps ().

Firm Name _____
By _____
Street _____
City _____ State _____

ers and of labor. This man was found in the person of Dean Ballard. For many years Mr. Ballard had been building a reputation for fairness in dealing with labor. As a member of the Seattle waterfront employers' group he had won the confidence of his associates and employees during 15 years of negotiating waterfront disputes. The title of coordinator well fits his office and his personality.

Assistance in handling delicate negotiations was entrusted to E. B. Fish, an attorney. The general executive of the Labor Relations Department is D. C. Vaile, of the chamber of commerce staff, who thus provides contact with the chamber in all matters. On September 1, Mr. Fish resigned to continue his law practice, leaving Mr. Ballard in charge of all negotiations.

First duty of the committee and its executive personnel was to straighten out actual and incipient strikes. The record of settlements shows the success of their efforts and of the policy which guided them.

Preventing labor trouble

SINCE that time the policy has carried them into the prevention field although occasionally negotiation becomes necessary. It is in this field of prevention that the "Seattle Plan" is accomplishing something which may well be copied. In carrying out prevention work, Messrs. Vaile and Ballard have found that their most difficult task is to get the small business man in a controversy to see the error of his ways. For the business man is often wrong.

The small business field is dotted with men who not only grew up with their establishments but founded them. The qualities brought out by this struggle are not usually successful in negotiation. We have often heard the term, "Hard-headed business man," and I am not using it as a term of reproach. It is descriptive of hardy American qualities which make for a successful business but it does not describe qualities necessary for a calm and unbiased treatment of labor problems.

Probably a man of this type considers his business his own personal property to do with as he sees fit. If he wants to fire a man for joining a union or for any other reason he believes he has a perfect right to do so. The Labor Relations personnel has made a serious effort to show this type of business man that, although his belief is partly true, the rules in regard to employees have been altered.

The Labor Relations Committee also provides a source of quick and reliable information regarding the thousand and one technicalities that arise in labor matters.

For instance, the committee called a labor organizer's attention to the fact that he was taking into his union employees who rightly should belong to another union. By pointing this out in time, the committee probably saved some business man from becoming the innocent victim of a dispute between rival unions.

In the day's work a stream of queries comes to the coordinator's desk. One might be, "I have a man in my plant who merely does odd jobs. The union classes him as a shipping clerk and wants me to pay him accordingly. What can I do about it?"

Another business man wants to know if he can fire a man.

A third may query, "Am I coercing a man by requiring him to join a union before I hire him?"

Before answering the first question, the coordinator would get the employer's side of the story. He would then call the business agent of the union and get his side of the case. With both arguments before him he would decide which was right and attempt to convince the party in the wrong of his error. Should the employer call the business agent, a bitter argument might follow.

To the second query the answer would be, "Sure, you can fire a man. Men are being fired every day. But you cannot fire him just because he is a union member."

The third question would be answered by the statement, "Under the National Labor Relations Act an employer may require a new employee, as a condition of his employment, to join the majority union. This is not considered coercion."

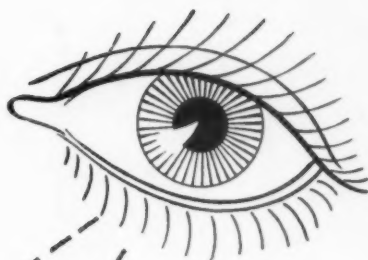
Not only does this labor relations committee assist the business man; it helps the union business agent as well. As the policy of fair play has become more and more understood, labor authorities have grown so confident in the fairness of the committee that many inexperienced business agents representing new unions ask and receive assistance in their work.

As go-betweens in labor-business controversies this committee has found that each side often makes exorbitant demands. It has also found that, under proper negotiation and with fair play, these demands may be ironed out and a mutual understanding reached without strikes.

The committee and its executive personnel take satisfaction in their initial success. Though proud of their achievements, they do not boast; they realize that, in labor relations, pettiness, misunderstanding, face-saving, politics, and many other factors have caused strife and may do so again. While making no prophecy for the future, they are building well in the present.

They watch the WORK instead of the KEYBOARD

and look at the New Speed Figuring Records they're making



5182 ITEMS PER HOUR

Miss Lillian Dietzman, Underwood Sundstrand operator for a well-known fruit company, lists and adds at a rate of more than 86 items a minute. Note that she watches the work instead of the keyboard.



4368 ITEMS PER HOUR

Miss Roberta Taylor, Underwood Sundstrand operator for large mail order house, makes short work of the day's figuring. She watches the work instead of the keyboard.



4680 ITEMS PER HOUR

Miss Hazel A. Richardson, employed by a large New England retail establishment, gives a perfect example of Underwood Sundstrand Touch Figuring at high speed. She watches the work instead of the keyboard.

FORGING ahead rapidly and steadily on a sheer basis of demonstrated Performance . . .

Backing up advertised claims with repeated stop-watch tests that *prove* its speed, accuracy, durability and simplicity even to the satisfaction of the most skeptical . . .

Underwood Sundstrand continues to replace slow, complex, out-moded machines in all industries.

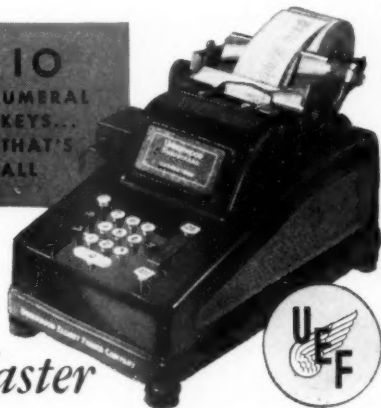
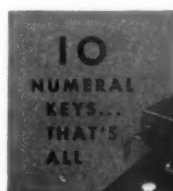
Underwood Sundstrand increases figuring production because of its condensed keyboard and its extreme ease of operation. There's not an unnecessary key on the keyboard.

Column selection is automatic. Touch Figuring develops *naturally* after just a few hours' practice.

We would like you to decide for yourself just how much faster the Underwood Sundstrand is on your own work, in your own

office, using your own operator. We believe you will find it to be 15% to 25% faster.

Why not get in touch with our nearest Branch office today? Every Underwood Sundstrand Machine is backed by nation-wide, company-owned service facilities.



Adding Machine Division
UNDERWOOD ELLIOTT FISHER COMPANY
Adding Machines, Typewriters, Accounting Machines, Carbon Paper, Ribbons and other Supplies
One Park Avenue, New York, N. Y.
Sales and Service Everywhere

Underwood Elliott Fisher Speeds the World's Business

Underwood Sundstrand

ADDING-FIGURING MACHINES

Copyright, 1937,
Underwood Elliott Fisher Co.

15% to 25% faster



Roland B. Woodward

Business Must Go On

By ROLAND B. WOODWARD

Retiring President, National Association of
Commercial Organization Secretaries

ACTIVE existence of 2,500 chambers of commerce in the United States and the rapid acceleration since the World War of the trend toward this cooperative business statesmanship is significant in the diversity of organizations alone. That this group movement symbolizes the highest ideals of trade and industry is here revealed in text which bids community leadership to seek the solution of problems in terms of the national interest

THERE is now and always has been something of the heroic spirit in business. Panic, depression, war may slow it up, may seriously disrupt it for a time but, with an amazing vitality, with a power of self-repair and recuperation, like the human heart, it comes back to serve its enemies as well as its friends.

From the slime and disorder of flood; from the shattered ruins of earthquakes; from the death and disaster of conflagrations, business builds new and better cities and countrysides. From the damages of great convulsions of nature, men rise to reconstruct their lives.

But we have been going through different kinds of convulsions. Convulsions which we cannot see or hear. Convulsions which have shattered men's nerves and disturbed their thinking about the present and the future. Human behavior seems to have changed completely. Accepted modes of thought have been discarded overnight. It is a Renaissance with hatred instead of light. It is as startling as a French Revolution without bloodshed. Why wonder that business men are startled, confused, bewildered. They are afraid not only of something they know about, but of much which they fear is lurking in men's minds at the social bottom and at the political top.

But I believe the air is beginning to clear.

Two distinct impressions are beginning to emerge. The first is that business must foster and encourage progressive change; it must champion, with sincerity and enthusiasm, the greatest practical improvement in the economic and social condition of all its workers. The second is that business leaders must have the courage to fight for the principles in which they believe, even at personal sacrifice. They must learn again that moral cowardice for personal gain may be treason to one's country.

A changed viewpoint

BUSINESS men do not find the acceptance of the new social viewpoint easy. They have lived so long by a *laissez-faire* philosophy with its emphasis on individualism that they find it difficult to understand what this new social viewpoint implies and difficult to believe that it is something no longer to argue about because it is here. The hard-headed business man who is a realist about buying and making and selling is no realist about the new world in which he lives—he thinks it is just a bad dream.

A new restraint on individual freedom of action is now widely accepted as necessary. A sudden enlargement

of the powers and uses of government has appeared throughout the world. This new social concept has been slowly emerging for 40 years. A long era permitting free play of the powers of the individual has ended. We are trying to find a way of life better adapted to our environment. Whether driven by our own workers, by unscrupulous demagogues, by incurable reformers, or by that mysterious urge in man for that far off divine event toward which the whole creation moves—it matters not. The important fact is that it is here in America and in a less violent form than in most of the rest of the world.

The individualistic philosophy produced in this nation such abundance as to make possible a standard of living never before equalled anywhere. But it has failed to find a way to satisfy millions of men that they were participating in an equitable distribution of that production. The consequence of that failure was inevitable.

Today we face an elaborate plan of social control contrary to all our cherished beliefs and traditions. Can it be kept within bounds and thus preserve a fair measure of freedom for the individual? Can we preserve the best in the economic and social structure under which we have grown

(Continued on page 116)

What Chambers Can Do For Business



Samuel B. Botsford of Buffalo—the host



Secretaries Gerrish Gassaway, Wilmington, Del., Christy Thomas, Seattle, David A. Skinner, National Chamber, and Frank Fogarty, Omaha



Melville D. Liming of Boston was elected president

WHAT does business expect of its Chambers of Commerce? The secretaries themselves sought to find the right answer by comparing notes and making suggestions at the recent convention of the National Association of Commercial Organization Secretaries held in Buffalo, N. Y.

More than 300 delegates, the largest attendance in many years, cocked their ears to hear while their colleagues as well as various business leaders told them what local chambers could do to help business meet its vast new responsibilities.

The same old problems such as trade promotion, community betterment and carrying "free riders" still exist and received due attention in the meeting, but there was an unmistakable trend to emphasize the part that chambers can play in labor relations, personnel relations, explaining business to the public, and in setting higher standards of business statesmanship.

A. C. Ernst, president of the Cleveland Chamber of Commerce, key-


noter, told the delegates that business men as individuals expected local chambers to tackle problems that everybody else is afraid to undertake and make good on them. When they are completed, business does not expect chamber to lay laurel wreaths on its brow, but to look for even more difficult jobs to do. Business expects complete and accurate presentation of the facts upon which committees base their actions—reports must give all of the facts required for any reader to form his own opinion of what should be done. With all the facts disclosed, a citizen finds himself more disposed to agree with the conclusions presented by a committee.

M. D. Liming of Boston was elected president of the Association. Other officers elected were vice president, D. Hodson Lewis of Little Rock and secretary-treasurer, O. F. Lyman of Peoria. New directors elected were John D. Adams, Des Moines; Clarence F. Holland, Knoxville; George E. Collison, Denver; A. J. Horn, Toledo; W. R. Ulrich, Atlanta.



A. C. Ernst, president of Cleveland Chamber of Commerce, was keynoter

PHOTOS BY J. WINTON LEMEN



"Load Them Up"—They Are Built to Stand It—A Diesel D8 Tractor and Hyster Logging Cruiser Arch delivering 100,000 board feet log scale on \$1.40 worth of fuel, for Shevlin & Hixon Company, Bend, Oregon. Uses 25 gallons of 7c fuel per 8-hour shift. One of a fleet owned by them.

"NAME YOUR POWER-PROBLEM" —SAY "CATERPILLAR" DIESELS

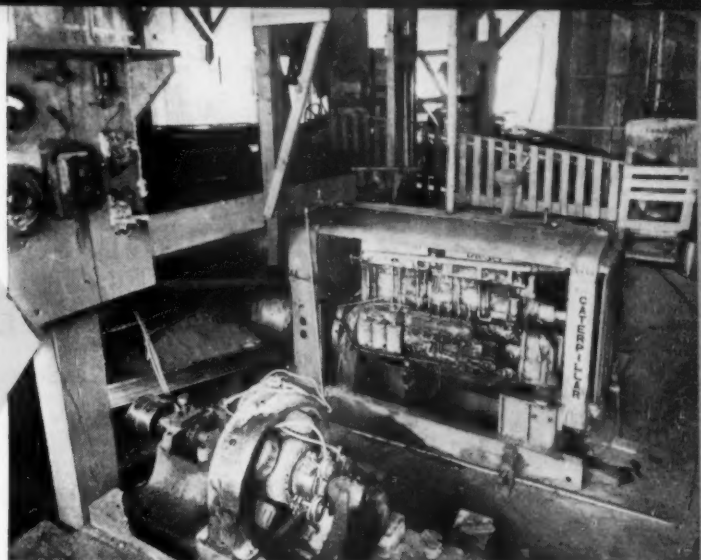
OPERATING on low-cost Diesel fuel, the "Caterpillar" Diesel Engine is providing unbelievable ECONOMY for tractors, shaft-turning and current-generating power-users. In the "Caterpillar" Diesel Tractor, this fuel-economy is combined with the advantages of track-type traction—to fuel-savings are added the performance-savings of sure-gripping non-slipping traction. • In numerous other applications, the "Caterpillar" Diesel Engine saves one-half to three-fourths the cost of other types of power. It is the outstanding "Herald of the Diesel Age." • Versatility is its middle name—today these engines are working on many jobs, in many lands—doing the world's work well—doing it cheaply. More than 90 manufacturers have adopted it to power their products. If there's a job it can do for you, you owe it to yourself to learn more about it. The coupon will bring you further information.



Saving Power-costs in Half— Two "Caterpillar" Diesel power-units run this saw-mill for the Boise-Payette Lumber Company, Garden Valley, Idaho. The company also has another Diesel to drive generators, etc., at camp—besides several "Caterpillar" Diesel Tractors.

Basements While You Wait— When it isn't building swimming-pools and such, this "Caterpillar" track-type Tractor with Killefer Rotary Scraper digs basements in San José, California. In 9 months, this outfit saw 1400 hours of work, moved 20,000 yards of earth—economically.

Potatoes in the Bag—in a Jiffy— Here's a "Caterpillar" Diesel D4 Tractor pulling a 2-row power take-off potato-digger on 1 ½ gallons of 4c fuel per hour. Another "Caterpillar" track-type Tractor pulls sorter, 18-foot draper, sackers, and sack-sewers. Record: 4500 sacks a day. Location: Porterville, Calif.



CATERPILLAR DIESEL POWER

REG. U.S. PAT. OFF.



CATERPILLAR TRACTOR CO., PEORIA, ILL.
... WORLD'S LARGEST MANUFACTURER
OF DIESEL ENGINES, TRACK-TYPE
TRACTORS AND ROAD MACHINERY

CATERPILLAR TRACTOR CO., DEPT. NB-11, PEORIA, ILLINOIS, U. S. A.
Gentlemen:

Please send me information on "Caterpillar"

☐ DIESEL ENGINES ☐ TRACTORS ☐ ROAD MACHINERY

I need power for _____

Name _____

Address _____

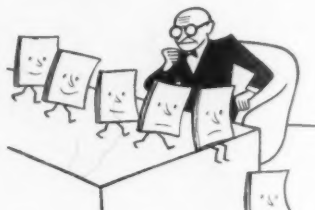
The Tools Executives Overlook

By **ORDWAY TEAD**

Editor, Economic Books, Harper & Brothers

I SUPPOSE I examine each week a dozen manuscripts of potential books on economic and business subjects. My company publishes about 30 of these a year. Moreover, many business papers, investment services and private news letters pass over my desk regularly to help me find out what business men want to read.

Have the depression and the new



governmental activities affecting business altered the reading habits and interests of business men? Are they more studious; are they more forward looking? Has their notion of what they should be aiming at corporately and individually shifted?

I would be overbold if I thought that answers to these questions are revealed at an editor's desk or even in a wide contact with executives. But, in general, my own evidence does not lead to conclusions which are necessarily affirmative. Certainly there is more reading; the point is—is it better reading? To suggest that the quality may not be greatly improved, lays the editor open, of course, to the criticism that this is his own fault. To which the answer is that editors try to publish what they believe there is a market for!

The reading of books on business subjects has always at best been confined to a thin slice of the potential market. A ten thousand sale is high for even the best of them. There are, to be sure, competitors for the executive's time. Trade papers are getting higher and higher circulations. The more general business periodicals are thriving. The news letters emanating from Washington are religiously read, as are the economic letters from Wall Street, Wellesley and points between. The financial and

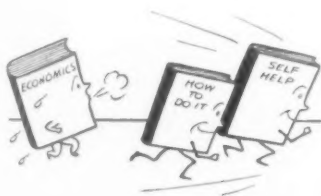
business pages in the dailies are doing a better job. More facts of all kinds are available today to executives than ever before. What use they may make of them is another story!

Also the books of economic analysis are both more numerous and better than ever. Honorable mention should be made, for example, of the publications of the Brookings Institution, the National Bureau of Economic Research, the Twentieth Century Fund, the National Industrial Conference Board.

All of these have influenced business and political thought and policy. They have undoubtedly improved the general understanding of economic phenomena. But it is also significant that none of these bodies undertakes its publication program on a business basis and the buyer gets far more for his money than any regular publisher could afford to give him.

In other words, too few executives appreciate the task of economic research and enlightenment to permit the results to be produced on a commercial basis.

When it comes to books that the



regular publishers can afford to issue because the market looks broad enough to yield a modest profit, a far less impressive picture is revealed. The books that are in demand divide into three broad groups:

The inspirational and self-help book.
The specialized, how-to-do-it volume.
The more general business or economic treatise.

And the last is a poor third.

My own explanation of this condition is that books in this whole field sell predominantly to men less than 35. The men at the top do not as yet turn to books for guidance. They tend, if actions speak louder than words, to be complacent about their own equipment for their jobs. Reading habits are not cultivated.

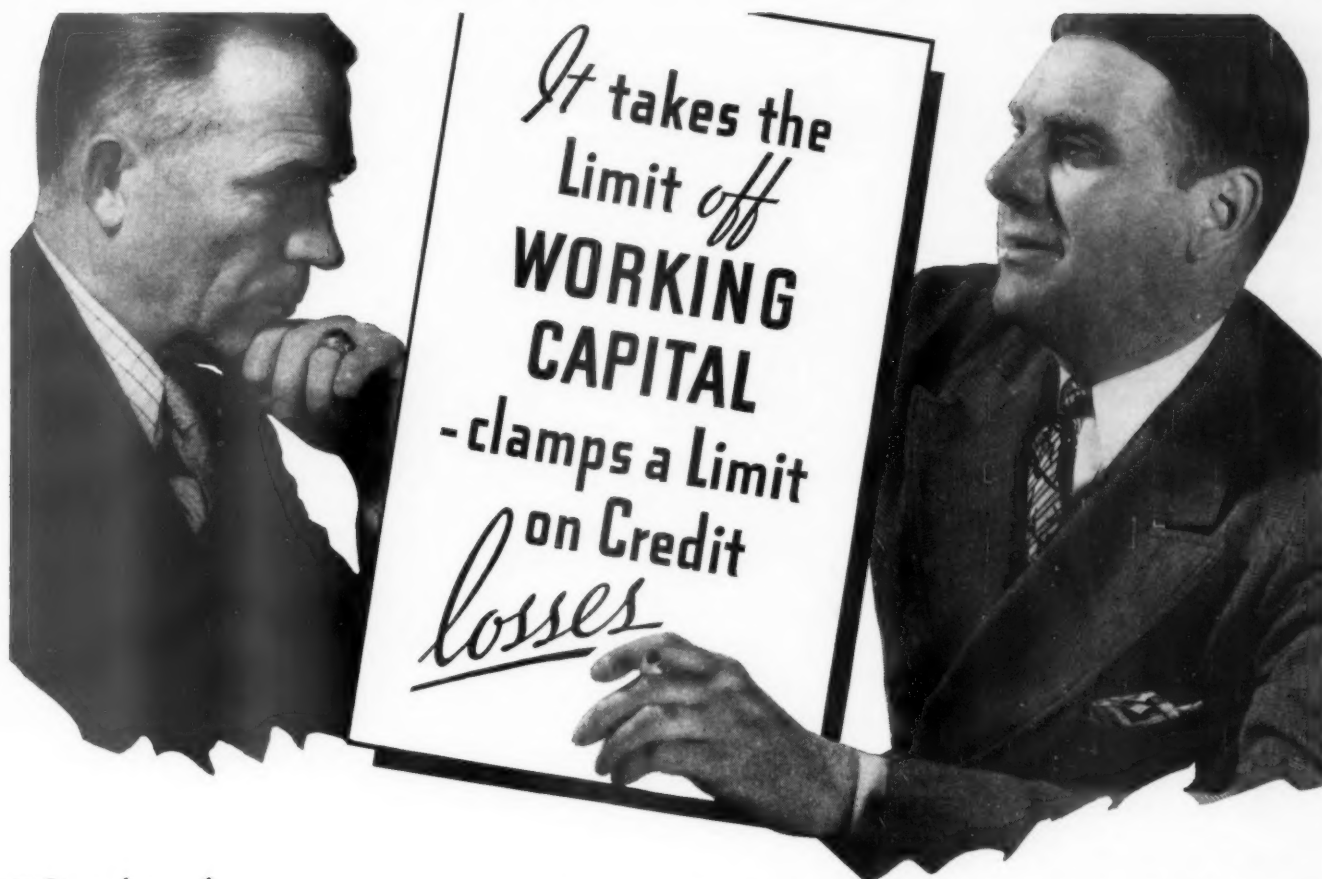
No! The readers are the ambitious younger men, frequently those with only a high school education who are



trying to better themselves. What they want is self-help aids (witness Dale Carnegie) and specific guides to improved methods in their fields.

That is why there is a growing library of volumes on personality development some of which employ the latest and best psychological scholarship, but all of which are essentially in the "onward and upward" class, highly individualistic in their premises and emphasis. They perform a needed and valued service. But they still tend to convey to young men the inadequate idea that self-centered, hard work at the immediate job in hand is the only key to success. And these volumes rarely submit the idea of success to any critical scrutiny.

There is also a splendid, developing literature dealing with many of the special fields. Accounting, advertising, selling, insurance, income taxation, personnel, merchandising—books are being continually brought out to describe new tested methods



"I've found a way to stop a serious drain on my profits and re-employ the money that used to go vacationing at my expense... money that was tied up in accounts receivable. It works for me all the time now.

"Doubtless, you've heard of Commercial Credit Company's open account financing plan? So had I. I recognized its many advantages, and knew that it was being widely used by many flourishing business concerns, but I had one mental objection to it I couldn't overcome. Let me explain.

"I'm as modern and progressive as anyone in production and sales methods. But in matters of credit and finance there's a conservative streak

in me as wide and as deep as the Grand Canyon. I wouldn't count my chickens while they're still eggs. Neither would I discount my receivables and *use my own money profitably in my own business.* One of my large accounts might fail. Then I'd be on the spot. Invariably, I would decide to wait for my money.

"Then Commercial Credit Company introduced its new LIMITED LOSS clause and changed the whole picture for me. Briefly, here's just what it means. I can now cash in on as small or as large a part of my receivables as necessary, without any red tape or delay. I can protect myself against any credit loss beyond my normal bad debts. The margin between what it costs to do this, and what the use of my capital nets me in discounts saved and new profits earned, is far in my favor. My customers get their regular terms—pay in the regular way.

"I'm still a conservative. Nothing is different except that I now have less financial worry, more liquid capital and a more thriving business."

★ Commercial Credit Company's modern industrial financing is available to you on terms that enable you to liquify your receivables and re-employ the money profitably and safely. Investigate the new LIMITED LOSS clause introduced exclusively by Commercial Credit Company. It is a protective feature that will interest you. Full details on request... no obligation.



COMMERCIAL CREDIT COMPANY

NEW YORK

CHICAGO

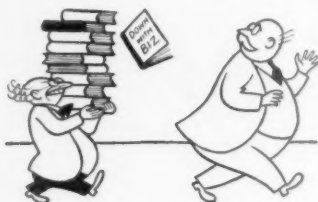
BALTIMORE

PORTLAND, ORE.

SAN FRANCISCO

in these fields. Indeed, I would venture that American technical business books rank high in quality compared with similar attempts in other countries, because they are largely by-products of the labors of successful practitioners who are willing to share their experience.

The trend in popularity here is marked. Books on the distributive side of business are far the most in demand. How better to merchandise what we can produce seems to be the crucial question in business men's minds. Good books on the technical phases of manufacture and production are numerous but in sales they



are outnumbered five to one by those on the selling side.

It would seem that we have reasonable command of technological processes. We could have "the economy of plenty" so far as our producing skills are concerned. But we are baffled by our inability to sell. If there is any one marked new trend in business thinking, it has to do with anxiety as to how more purchasing power can be distributed to more people—as the only basis for bigger sales volume. The fact that such improved distribution might also add to the chance for a fuller life for all is left to the politicians to orate about.

This leads to the next generalization—which is not news: The American business reader is rarely the philosopher. He is not too concerned about the future in any long look. Six months ahead is about as far as he likes to worry about. That means that economic trends and even market trends and all the factors that produce them do not greatly engage his thought. We are short-term planners. That means a cut-and-try attack on day to day problems without much concern about general questions.

Occasionally a hopeful publisher brings out a book which he believes should get attention. It may deal with basic factors affecting all business, international affairs, the new place of the manual worker. But in the usual Pullman car your executive will probably be found reading a detective novel or a short story magazine.

We are, of course, at a time of rapid change in the forces and factors that condition the operation of business. The New Deal is nothing if not a frank attempt to bring the conduct of our economic activities under

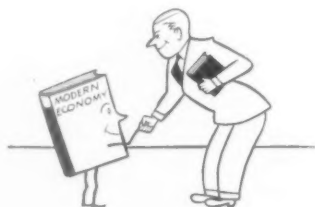
such controls as will hopefully allow economic effort to accrue to the benefit of the great mass of consumers. Government's relation to business is, and is destined to be, closer and more regulatory. Yet I cannot see that these things have affected the thinking of many business men except to cause them to become choleric when they discuss the matter and to call in their lawyers when they have to act.

I am not saying that all the answers are in the books. But I do believe that more business men could have a shrewder sense of current trends, of the reasons for them, their meaning, the ways to go out to meet them, if their background reading were broader and more sustained.

There are, for example, in such books as "Middletown in Transition," "Recent Social Trends," "Income and Economic Progress," "The Decline of Competition," data and interpretations enough to illuminate many a business problem now being thought upon inadequately because important factors are ignored.

It is highly significant, moreover, that this country has produced no truly important books in competent justification of the operation of what we loosely call the capitalist system. Muck-raking volumes there are in plenty. And reformist treatises. And there are numerous dull college textbooks in economics designed to justify the ways of capitalism to man. But American business men (and that includes the business writers as well) have not yet seemed to feel the need of explaining and justifying their own activity.

If business is the American religion—at least in a manner of speaking—it is odd that it should have no Bible. And if today business men find themselves mistrusted, not only in Washington but among consumers gener-



ally, it may be that they have not been at sufficient pains to understand what they are really doing and to explain to others what the good in it is.

Among the scores of business books I find no good one on what might be called the *rationale* of business. And if there were such a book, I don't know that enough business men would buy it to pay the costs!

It is for these reasons that my conclusions are not too affirmative about the beneficial changes in think-

ing and reading that recent events have brought among executives. I suspect that a distinction can validly be made between the real progress we are seeing since the depression in careful thinking on specific internal business problems and the doubtful advance in total orientation of business men's thinking on economic fundamentals. There is a definite clarifying of view as to the importance of a better distributed purchasing power. But the logic of events has probably had as much to do with teaching this lesson as the logic of any books.

The same is certainly true when it comes to the employers' handling of today's problem of collective bargaining. I doubt if any employer became convinced of the expediency of entering into formal relations with labor unions from anything he read.

But, on the other hand, we must note three factors, all destined to lead, I believe, to a somewhat different situation at an early date.

Libraries are used more

THE first of these is the testimony assembled by Miss Marion Manley in her study for the Special Libraries Association of the trend in executives' reading demands. She found more and more systematic use being made of company libraries and more and more companies appreciating the need for good intramural library service. Awareness of the need for objective study of specific problems with the aid of informational data from all sources is increasing.

A second encouraging factor is the amount of educational work being done more or less formally by corporations among men at the supervisory level. This has shown a marked increase since the depression and, although the required reading is usually kept at a minimum, some books are recommended as desirable for collateral reading. And such suggestions are being widely followed.

Finally, there is the fact that our collegiate schools of business administration are turning out more and more graduates accustomed to approach business problems scientifically and thoughtfully. They have been taught to regard books as part of the tools of their trade. To some extent this habit of turning to books for stimulation and information is almost surely destined to carry on into after life, thus creating a larger market for the more thoughtful business treatise. Among the young men thus equipped there is also likely to be less thorough-going complacency as they advance in the executive world. So that, whereas many an older business leader hardly recog-



"In those days they had **HARD WINTERS** **INDOORS** as well as **OUTDOORS**"

WE may argue whether the blizzard of '88 was worse than the one three years ago. We can debate whether winters are becoming milder—whether the Gulf Stream is changing its course—whether the weather cycles are changing.

Come *indoors*, however, and there can be no debate. For nobody can question the suffering, the discomforts our forefathers endured—cold, drafty, chilly houses—the family huddled around the kitchen stove—bedrooms below the freezing point—wind howling through the rafters. Rugged, hardy people they were to withstand these discomforts.

Science has changed all this. Nowadays

winter is milder indoors. Not just because heating is modern, but because homes are *insulated*. (The finest of heating plants won't keep a house cozy if walls and roof leak heat like a sieve.)

To help make every room a perpetual June in comfort and healthfulness, over 200,000 home owners have installed an amazing product—J-M Rock Wool.

J-M Rock Wool, *the material*, is amazing because it actually is wool made from rock. Rock is melted, a jet of live steam blows it into fiber, and there you are—rock wool.

Pioneered by Johns-Manville for the insulation of houses, rock wool is fasci-

nating for many reasons . . . you can install it in a new house (it comes in wall-thick "batts") or in your present house (it's "blown" into empty walls and attic spaces by approved J-M contractors) . . . in winter it helps keep every nook and corner warm and draft-free, reduces the family's tendency to colds and saves up to 30% in fuel . . . in summer it keeps homes up to 15° cooler in hottest weather . . .

If winters in your home are still the good old-fashioned shivery, sniffly kind, write for J-M's free book, "Comfort that Pays for Itself." Address Johns-Manville, 22 East 40th Street, New York City.

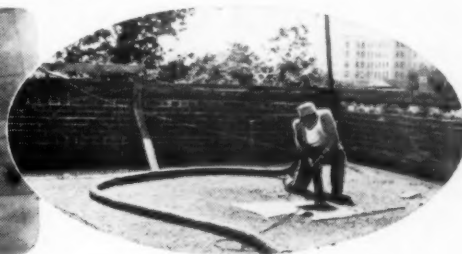
JOHNS-MANVILLE



"Blowing" Johns-Manville Rock Wool Home Insulation into empty walls and attic spaces of a house already built. The contractor is approved by J-M; you get not only correct insulation, but correct installation.



In "batts" for new homes. Factory-made to correct thickness and scientific uniform density, they insure against voids or thin spots, provide pre-determined insulating efficiency. Easily applied during construction, fit snugly, handle conveniently.



Insulating a flat-roofed apartment building the Johns-Manville way. Top-floor apartments are no longer sweltering in summer and hard to heat in winter. They produce a steady, attractive income the year round.

He Carries a Hod ... Yet He Works Wonders in Money Management!



For every budgetary problem that perplexes his employer this man solves three! With his modest pay as an unskilled worker he keeps five persons healthy, well-fed, decently clothed. He's paying for a small but comfortable home. He puts part of each pay check in the bank.

If you think that doesn't take skill in money management just ask yourself how much *you* could accomplish on *his* wage. And there are thousands like him—truck drivers, machine operators, laborers. Necessity has taught them to work wonders on slender incomes.

But these men live close to the shadow of sudden emergency. An accident, a long lay off, any circumstances which interfere with their ability to earn, and their slender reserves melt away rapidly. Budgetary skill doesn't help them then—they need money help, quickly.

At Household Finance any responsible worker can borrow on his future earning power. He needs no collateral, no co-signers or endorsers. He obtains what he needs at reasonable cost under the businesslike Household Finance Plan. The loan can be repaid in small monthly installments. Household Finance will serve him as "Doctor of Family Finances," as it served more than half a million families last year.

Through a broad educational program in home money management and buymanship, Household Finance shows thousands of wage-earners how to get more from their incomes. Many schools and colleges use Household's publications as texts and reference works.

Booklets Sent Free

As an employer or supervisor of employes you will be interested in the full story of Household Finance's service to wage-earners. We will gladly send copies of Household's publications and complete information on the important role played by this company in today's industrial society. Please use the convenient coupon below.

HOUSEHOLD FINANCE CORPORATION and Subsidiaries "Doctor of Family Finances"

one of America's leading family finance organizations, with 228 branches in 148 cities

HOUSEHOLD FINANCE CORPORATION, Dept. NB-12
919 N. Michigan Ave., Chicago, Ill.

Please mail me without obligation full information on Household Finance's family reconstruction program.

Name _____

Address _____

City _____

State _____

nizes that few of his employees really look to him as a leader any longer, the younger leaders are more open-minded, inquiring and, may I say, humble.

Little long-term planning

LOOKING ahead, one is sobered by the great need for such open-mindedness. Our present rising tide of business profit is surely destined to suffer a reaction within four or five years, and another depression will create staggering business and political problems. Business men accept verbally the truth of the cyclical rise and fall of business activity.

But I doubt whether even the last depression has stirred many of us to think through and plan to anticipate business issues in a thought span which is even three years long. And that is one of the fundamental tests

of a possible new awareness and wise total outlook.

The other test is, perhaps, the business man's attitude toward increasing social controls in business. That they are inevitable is the teaching of virtually all the younger economists. But that they should be resisted to the last ditch is seemingly still the normal business reaction.

As one who believes profoundly that learning can take place by deliberation upon experience and by choice of alternatives imaginatively considered and weighed, I am forced to the conclusion that experience in the raw, that trial and error, and that costly mistakes, are still our typical teachers.

The inner circle of those who eagerly try to profit by the experience of others through the invaluable device of the printed word is still amazingly small and select.

Why a Planned Economy is Unworkable

(Continued from page 32)

ed lowering of the standard of living or extreme regimentation of consumption, to iron out fluctuations in consumer demand and keep it geared to production.

Item: It would compel abandonment of our popular system of government in favor of an authoritarian regime capable of exercising the requisite control of human initiative and aspirations.

A little reflection should convince any reasonable person of these conclusions. Consider the building industry. It is composed of a vast number of scattered producers, unorganized, half of them bankrupted in the depression. How is the Government to contact all these men and assign rational quotas? Then how are the quotas to be met? How are these bankrupt operators to finance themselves, and how sell the houses after they are put up?

Or, again, take the motor industry. It is highly integrated, organized. Only a few comparatively large companies in the field. But who would undertake to set quotas representing the fair share of Ford, General Motors, Chrysler, Packard, Nash, Studebaker, *et al.*? Anyone with the slightest knowledge of recent industrial history knows the shifting in relative positions that has occurred from year to year under the impact of individual initiative, of changing styles, of shrewd guesses and bad guesses.

Assigning individual production quotas in American industry is impossible, unless it is going to be done frankly on a basis of political favoritism and ruthless regimentation.

My remarks about the incompatibility of economic planning and a high

standard of living (Item 2) will be greeted with a loud snort by the New Deal planning experts. Didn't they invent The More Abundant Life? And the MAL is, by definition, the same thing as the Planned Economy. Maybe. Let's see.

Planning of styles is hazardous

A "LUXURY" standard of living places a great deal of emphasis on style. Keeping up with the Joneses is no trick if you can't tell when they have a new car or new furnishings. But style planning is a hazardous proposition. Nobody, not even the wisest statistician, can tell whether a new style or type of product is going to go over. Anybody can think of examples. If all our production, in all main industries, is going to be carried out according to preestablished plan, there will be no style changes—or few of them. Milady will wear last year's dress, or one like it, and there will be no more annual models of automobiles. That might, possibly, make it possible to work the plan; but it probably would make it impossible for the planners to stay in office after the women got to the polls once or twice.

A high standard of living is difficult to maintain under a planned economy, also, because of the great fluctuations in demand for "luxury" goods. This applies in particular to things—whether actually luxuries or not—of high unit value, such as modern homes and motor cars. Sales of such goods fluctuate much more widely than consumer income. The

Do you want to go back?



WHEN the little engines with the big smokestacks pulled railroad trains seventy years ago, here was the situation:

Wages were low. Service and safety were far below modern standards. *And freight rates were three times as high as they are today!*

Long freight trains remedied that. Long trains are the very heart of modern service.

Long trains—pulled by modern engines—on modern tracks built with heavy rails—have brought today's fast freight service, higher wages for workers, greater safety for everybody.

And now there is a threat to deprive the public by law of much of the benefit of these improvements.

The TRAIN LIMIT BILL—passed by the United States Senate and waiting action by the House of Representatives

—is aimed to make the railroads split up freight trains on the pretext that it is a safety measure.

But here's how the theory squares with the fact: safety records show

that accidents to employes have been *reduced by nearly three-fourths* in the very years that freight trains have been lengthened and speeded up to give better service.

What this bill really does is to force the railroads backward—backward in safety—backward in service—backward in efficiency—backward in economy.

What it does is to clamp down and smother the whole spirit of enterprise, invention and progress which are America's hope of better transportation in the years ahead.

Think it over. Do you want rail progress stopped? Do you want rail service to go back instead of ahead?

If not, better speak up now.

ASSOCIATION OF
AMERICAN RAILROADS
WASHINGTON, D. C.

KEEP PACE with one of AMERICA'S MOST PROMISING YOUNG INDUSTRIES

● Thousands of men, interested in the progressive strides of one of the nation's most promising young industries, are looking forward to an important forthcoming event—the Fifth International Heating and Ventilating—Air Conditioning—Exposition.

● Progressive business executives, property owners, merchants, managers and investors, interested in the profitable operation of business enterprises—will want to keep up-to-date on the modern facilities for better living and working conditions—better temperature and air control of commercial and industrial activities. Here, under one roof, is a timely opportunity of studying the impressive displays of 300 leading manufacturers of Heating, Ventilating and Air Conditioning Equipment—a panorama of progress.

● You and your associates should certainly attend.



reason is that their production takes only a few days or months, whereas their consumption is spread over many months or years. Production and consumption are not geared together, as in the case of current items like food and tobacco—which fluctuate little.

After each "boom" in output of durable goods, there follows a "depression" in which the supply is being used up. These swings in demand will have to be ironed out or the "plan" will be wrecked. And I can see no way to do it unless some way is found to stabilize the use of credit (God save the mark), and consumers are forced to buy goods according to the planned rate of output instead of according to their needs and desires. The number of houses to be required in the next 18 years (which is the average housing cycle), for example, might be estimated and computed at so many a year. Then the population might be divided into 18 classes and each group successively required to buy the houses they would need during the 18-year period. If that didn't work, I doubt if planned construction would work either—and I doubt if Lloyds would quote very good odds on it.

This brings us to Item three—planning under a democratic form of government. No popularly elected government can regiment consumption or really control the use of credit. Regimentation of consumption means forcing people to buy things they don't want or—more probably—doing without things they do want. Control of credit means the power to deflate as well as to inflate. Control, in this country, means cutting the rediscount rate and "unsterilizing" some gold whenever the stock market has a couple of bad days.

The planned economy, in short, belongs in an authoritarian and totalitarian state—where living standards are low and credit scarce. The idea is essentially fascist. Only a dictator—a real one—can work it. So far as the United States of today is concerned, it is an idle pipe dream, a bedtime story—and a statistical headache.

The planned economy is unworkable. It is merely the modernistic equivalent of the old-fashioned Utopia. It represents a brave attempt to apply scientific methods in the field of social relationships. Look at the wonders accomplished by machine technology, say the planners. It is based on science. Through physics and chemistry and mechanics, the forces of nature have been harnessed and the physical environment has been modified to suit human needs—time and distance overcome, natural energies put to work.

The same should be done in the

social and economic sphere. The social sciences should be made exact and applied to human problems; a social technology, based on statistics as a science of social mechanics, should be put in motion to transform the human scene. Fine! But the results are bound to be conditioned by the fact that the "forces" dealt with are psychological instead of physical. They are imponderable, unpredictable, and largely uncontrollable.

Planning is guesswork

THIS amounts to saying that economic planning, in spite of its scientific trappings, is not scientific. It is not, in fact, based on science but on faith. It is religion—and it has its political aspects—but it is not science. It is not founded upon scientific inquiry. The concept has never been defined in terms of existing economic conditions.

Its field of application, and possible limitations, have never been objectively determined. To do this, of course, would be considerable of a job and quite superfluous. These things (as I discovered) had been fully revealed at the outset to the esoteric consciousness of the Brain Trust. The only remaining mystery was the practical means of operation. This, it seems, is still the mystery.

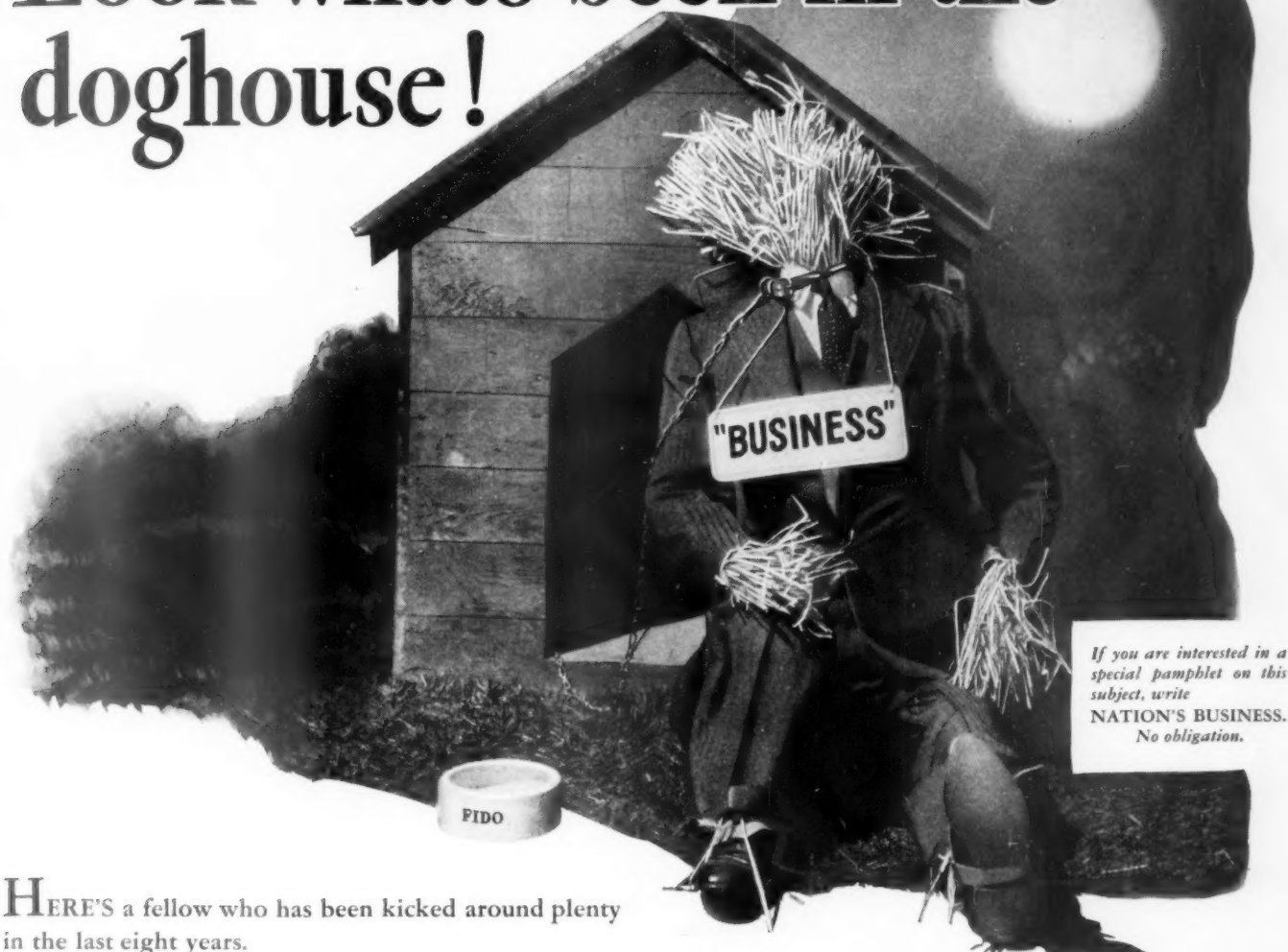
It is difficult to believe that economic planning in this rigorous form will be seriously proposed or would be accepted by the American people—provided they are informed of the facts. But the proposal is there, in black and white, before Congress right now; was introduced last June.* And there is no doubting the serious intentions of the group which has developed the project. These men are not satisfied with halfway measures. With them, there is no question of government and business getting their feet under the table for a common approach to common problems. They have slight regard for business—money making—as a social function. They recognize no particular right of any man to make a profit in return for taking a risk—of course, they would abolish risk!

These men, in brief, are state worshippers. They rate private enterprise or individual initiative very low. How far their influence is going to go is one of the important questions of the day. They will never be satisfied with mere government regulation of business to improve the functioning of the existing system.

They demand that the economic order be subjected to the direct control of the federal Government and managerial policies dictated by a Washington bureau.

*The Industrial Expansion Act.

Look what's been in the doghouse!



If you are interested in a special pamphlet on this subject, write
NATION'S BUSINESS.
No obligation.

HERE'S a fellow who has been kicked around plenty in the last eight years.

Take a good look at this battered effigy which the soap-box critics have labeled "Business." Does it resemble anybody you have ever known?

You know a lot of businessmen, of course. You couldn't get along without them if you tried. Shut down business and you shut down America. Business is the life line of the nation. Without businessmen you couldn't get your daily bread—a coat for your back—or a car to carry you.

Think, now—could you possibly mistake the dummy pictured above for the tradesmen, bank men and factory men in your community?

Who, then, is this caricature?

It's a creature that nobody knows.

The bogey branded "Business" is a myth, but fortunately there are *individual businesses* and *businessmen*—tens of thousands of them—in big cities and small towns, hamlets and at country crossroads. They are workers, doers, pay their bills, bear a major part of the nation's tax load, provide jobs and all the things that raise standards of living and make life on the American plan inviting,

stimulating and worthwhile.

They have always marched in the vanguard of national progress. They show the way and pay the way.

One look at the record and you know why more and more good Americans are saying: "What *helps* business *helps me*!"



This advertisement is published by

NATION'S BUSINESS

It is the third of a series appearing in *The Saturday Evening Post* and other publications. The fourth is printed on page 118.

Our subscribers will recognize in it the spirit by which *Nation's Business* is guided and the purpose it serves—to encourage straight thinking about business and its relations with government.

If the message interests you, we are prepared to supply, upon request, copies in poster size for bulletin boards, and in leaflet form for distribution. Mats for newspaper use and electros for house organs are available. Write NATION'S BUSINESS, WASHINGTON, D. C.



"... 'Taking the Fall' appears in the Post one week after Lillian Leitzel Codona misses a high flying-ring and falls to her death..."



"... a description of the Macon disaster comes out in the Post the week the Hindenburg crashes..."

"POST LUCK?"

THEY call it "Post Luck." Millions of readers wonder about it. Newspapers and magazines (see *Time* May 24, June 21, 1937) comment on it.

A description of the Macon disaster comes out in the *Post* the week the Hindenburg crashes. An article *Prelude to a Heterocrat* appears in the *Post* the very same day Huey Long is shot down by an assassin. *The 168 Days*, "the story behind the story" of the Supreme Court fight, appears the day Justice Black's one-time membership in the Klan is revealed. Ralph Guldahl wins the National Open and a *Post* audience the same week. Alfredo Codona's *Taking the Fall* appears in the *Post* one week after Lillian Leitzel Codona misses a high flying-ring and falls to her death.

Have we seventh sons of seventh sons who foretell news-breaks? We haven't. It's just "Post Luck"... the kind of luck which rides with a winner. Like Napoleon's Providence, it's always found on the side of the heaviest battalions.

The editorial staff of the *Post* is not so large. Nor is it clairvoyant. But *Post* editors are kept alert and informed—and lucky—in part by the largest unofficial and unassigned corps of reporters and correspondents ever enjoyed by any publication anywhere.

Authors aim for the *Post* because they know it has the largest audience of any magazine. They know it has more influence and more prestige. They know that publication in the *Post* means instant recognition—an open door to the highest rewards.

☆ ☆ ☆

Post advertisers likewise have found the *Post* an open door to the highest rewards... which is responsible for the *Post* being awarded, year after year, more advertising dollars than the next five weeklies combined.

"... Ralph Guldahl wins the National Open and a *Post* audience the same week..."



"... 'Prelude to a Heterocrat' appears in the *Post* the same day Huey Long is shot down by an assassin..."

THE WASHINGTON POST: TUESDAY, SEPTEMBER 14, 1937

The City beauty queens... surprise to 17-year-old... Charlotte, N. J., when... her the prize. But... thought as to the surprise... For when they turned... take liberties with an... was not in the parlor... day. At her father's... were crown, cash and...!

from Nyon.

After the Nyon ac... that 35 British and 28... about to be sent to the... the submarine piracy... one of that part... that Great Britain... to permit no de... transatlantic shipping... seaborne that for... on peaceful com... they will have the... smaller Mediterranean... support of most other... tolerable situation al... one of the world's... traffic has threatened... of peaceful interna... show of force should... inconceivable that it... sent to restore nor... Middle East. The... that have operated... equality will now be... extermination. It is... therefore, that those re... nations, driven the...



Reform Of The Judiciary.

"... 'The 168 Days' appears the day Justice Black's one-time membership in the Klan is revealed..."

THE SATURDAY EVENING POST

We Take Our Pen in Hand

CONTINUING our service as letter writer for readers who are too busy to express their views

REQUESTS come this month for letters that should be serious, for letters that should be facetious, for soothing letters and letters with a barb. All that comes to our mill is grist. We work with the tools at hand. If a reader can write a better one, or can think of one that ought to be written, let it beat a path to our door. Meantime, the following are our offerings:

Spade work needed

ADDRESSING fellow South Carolinians, Secretary Roper startled the audience by reviving an ancient but discarded doctrine, and prescribing "self-supporting farm operatives, self-help and self-respect." Impressed by the novelty of the suggestion a member of the audience asks us to congratulate Mr. Roper upon his originality. We convey the message as follows:

DEAR MR. SECRETARY:

Your South Carolina speech met splendid response, according to reports. I am told the audience was particularly impressed by this statement:

"Superimposed controls, except under emergency conditions, have a tendency to thwart the principles of democracy through a form of regimentation that we condemn in other forms of government."

Having been so effective in bringing the farmers to that viewpoint, may I suggest that there is a lot of "spade work" to be done in Washington along the same line.

Society item

MIXING business with pleasure sometimes leads to complications. A recent social affair in Washington finds an echo in the Denver convention of the American Federation of Labor. Edwin S. Smith, member of the National Labor Relations Board, entertained a small but distinguished group at an elaborate dinner party, honoring John L. Lewis and the counselor of the Russian Embassy. John P. Frey, president of the Metal Trades Department of the Federation, does not like the company Mr. Smith keeps. A member of Mr. Frey's organization asks us to write him a letter urging a more conciliatory attitude, in view of possible developments. We write Mr. Frey as follows:

DEAR MR. FREY:

Perhaps you were a little severe in criticising Mr. Smith of the National Labor Relations Board for honoring Mr. Lewis and the counselor of the Soviet Embassy at dinner.

It may be true, as you say, that "the two had much in common," and that "one wanted to have communism extended as rapidly as possible in this country,

and the other has a large number of Communists on his pay roll." Washington is a place noted for assemblage of congenial spirits and Mr. Smith should not be denied that pleasure, even if his guests have much in common. Besides, Mr. Lewis has cases pending before Mr. Smith. A litigant could not be expected to decline a dinner invitation from the judge.

From a Business Man's Scratch Pad . . . No. 20





It is just a year ago that we decided to talk to several million people each month about Santa Fe's part in that safe, sure, swift movement of goods and commodities vital to the functioning of our modern life. In short, to undertake general freight traffic advertising • Confession is good for the soul. *The Santa Fe had never before written a freight traffic message for national circulation* • We explored many lines of approach. All seemed narrow and stereotyped. We peered at our freight statistics. By themselves they were naked and cold • Then, quite by accident, we looked *behind* those stark figures. Instantly we found life and warmth, with the gleam of Santa Fe rails woven

Chapter Twelve

through the whole rich story of America at work, producing and consuming, building, striving, achieving • It is that story we have been telling this year, in brief monthly chapters, helped by the magic of pictures • Unorthodox freight copy, perhaps. But through it we have sought to intrigue you, as an individual, with the gripping human record underlying production and distribution of even the simplest things you use, and to increase your use of them, even a little; to thus help American producers and shippers to broaden markets; and to display Santa Fe's ability to give the utmost in efficient freight transportation against a background of daily achievement.

Leaders in the March of Business



W. Eugene Harrington, Mrs. Liscomb, Mrs. Harrington, Chas. F. Liscomb



Ezra Frick



Sydney G.
McAllister



W. C. Cowling

CHARLES F. LISCOMB of Duluth and new president of the National Association of Insurance Agents with Mrs. Liscomb and Mr. and Mrs. W. Eugene Harrington. The latter is president of the Atlanta Chamber of Commerce. Mr. Liscomb is 49, has his own insurance agency in Duluth, has been prominent in association work for several years including membership on the Special Committee on Workmen's Compensation. He is also a member of the United States Chamber's insurance committee.

Ezra Frick, president of Frick Company, which is installing the refrigeration equipment in the new \$1,000,000 fish pier at Gloucester, Massachusetts. There will be storage capacity for 5,000,000 pounds of frozen fish and two ice-making tanks will produce a total of 50 tons of ice daily. The new pier is expected to help Gloucester regain its earlier fame as a fishing center.

Sydney G. McAllister, president of Interna-

tional Harvester Company which distributed \$4,400,000 extra compensation to its 65,000 employees at the close of the fiscal year. The company also appropriated \$2,500,000 to the company's pension fund out of 1937 earnings. Hourly wages and weekly earnings are now at highest levels in history of the company.

W. C. Cowling, Director of Sales, Ford Motor Company, who told press representatives that current business recession was nothing to be disturbed about—it was like a recess in everyday life—invigorating. Said he had failed to notice any signs of gloom in West, Middle West or South.

Ernest E. Norris, 55, new president of the Southern Railroad, joined his present company in 1905 as car service agent at Washington, D.C. He has been in charge of operations for the Southern since 1932.



Ernest E. Norris

SIGHTSEEING WITH BAKELITE

Furniture Industry

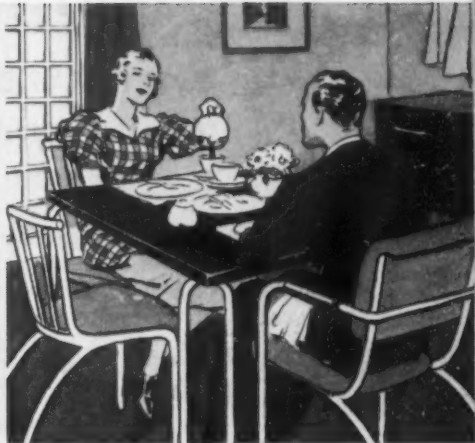
FEW PEOPLE realize how extensively Bakelite Materials are now employed in the design and fabrication of both period and modern furnishings.

The well-made furniture of today... for homes, for offices, and for commercial rooms and buildings...very often is more original in design, more handsomely finished, or more durable under varied conditions of service and abuse, because it is made with one or more of these materials.

The illustrations indicate some of the many types of service, and uses in furniture manufacture, for which Bakelite Materials provide outstanding advantages.



LIVING-ROOM tables and chairs of period or modern patterns acquire new beauty, and depth and durability of finish from Bakelite resin varnishes. Translucent lampshades and heat-proof radiator covers are made from Bakelite Laminated.



DINING ROOM suites of modern design often are finished throughout with Bakelite Laminated. Table tops, chair arms and sideboard surfaces made from this permanently lustrous material are indifferent to heat and moisture.



BOUDOIR and other furniture, constructed from plywoods and veneers bonded with Bakelite Plybond, is protected against delamination. This modern wood adhesive is highly resistant to heat, humidity, water and staining.



OUTDOOR furniture made with Bakelite Materials, retains its beauty after long exposure to sun and rain. Wood and metal parts are finished with Bakelite resin enamels; upholstery, with Revolite, a Bakelite resinoid processed fabric.



OFFICE furnishings gain distinction, and structural durability, from Bakelite Laminated desk tops, Bakelite Molded corner buffers, Bakelite cast resinoid drawer handles, Revolite upholstery, and Bakelite resin varnish for wood surfaces.



RESTAURANTS AND BARS in increasing numbers are employing furniture and wall-paneling of sturdy, colorful Bakelite Laminated. Table, counter and bar tops of this lustrous material withstand hot plates or liquids, smoldering cigarettes and alcoholic beverages.



BEAUTY PARLORS and other commercial shops find important advantages in Bakelite Laminated for dressing table, desk and countertops. It retains its smartness despite wear, constant handling and abuse. Store-fronts and booths also are made from this permanently lustrous material.

EQUALLY valuable and diversified applications of Bakelite Materials have been adopted throughout practically every branch of modern industry. With Bakelite Molded, Laminated, Cast Resinoid, Plybond and other products, manufacturers are solving an increasing number and variety of problems in production, performance, appearance and saleability. Our engineers will be glad to discuss with you the advantageous possibilities of Bakelite Materials for your products. Write for our illustrated booklets 1M, "Bakelite Molded"; 1L, "Bakelite Laminated"; and 1V, "Bakelite Varnish".

Bakelite Corporation, 247 Park Avenue, New York
Bakelite Corp. of Canada, Ltd., 103 Dufferin Street, Toronto
West Coast Elec. Specialty Co., Inc., 316 11th St., San Francisco

BAKELITE

The registered trade mark of Bakelite Corporation, Inc. in the U.S.A. and other countries. It is a trademark of Bakelite Corporation, Inc. in the U.S.A. and other countries. It is a trademark of Bakelite Corporation, Inc. in the U.S.A. and other countries.

*Trade Mark Reg. U.S. Pat. Off.

THE MATERIAL OF A THOUSAND USES

Speaking of Finance

By EDWARD H. COLLINS

Associate Financial Editor, the New York Herald Tribune

AT A TIME when the country boasts more statistical organizations, more forecasting services, and more investment counsel firms, perhaps, than at any time in its history, how is it that so few saw the stock market storm which began to brew way back in March and which struck with its fullest force in August-October?

This is not the most important question raised by the recent recession; but it is surely among the most interesting. And there seems to be little doubt that the facts of the matter are true. Here and there will be found counsel or market letter writers who saw early in the year that the situation was unpromising and who advised caution in buying. Here and there, again, will be found many who got their clients out before the March-June break, only to get them back in before the real panic stage of the decline was reached. But there were so few important advisers who guessed right—and this by no means implies that these were anything like 100 per cent correct—that their names have become pretty widely known and they have reaped a good deal of favorable publicity. The smallness of their number has made them "news."

Investment counsel firms do not, of course, make it a practice to acquaint the public with the nature of the advice they have given, or are giving, to their clients, but one firm, it is reported reliably, suggested liquidation of ten per cent in March, and another 20 in April, and in August urged that from 25 to 40 per cent of its clients' funds be kept in cash. A market letter writer hit the nail on the head more squarely than this, advising customers on March 6 to "prepare for a serious slump in the market." He went on to say:

We are now in the midst of a final upward surge. It is time to begin capturing profits, for we may be only a few weeks from the absolute top. (Actually, the top came on March 10.)

The head of the statistical department of one stock exchange house advised on March 16 that "the corporate, economic and political outlook" was "too clouded clearly to justify general purchases of common stocks for intermediate holdings." By mid-August this warning of further business recession was renewed.

But such advice, as has been suggested, was the exception, not the rule. The economist for one investment counsel firm, it is true, turned bearish when the Federal Reserve began to tighten the reserve requirements of the member banks; but there seems to be little tendency at this time to regard that policy as an important cause of the market decline.

Another investment consultant, on the other hand, urged his clients vigorously in May to "be bold, borrow and buy!" After the bad break of mid-October he issued a long and detailed explanation of why—up to that moment at least—his advice had been so distinctly unfruitful. It seems that he had sent several wires to the "Money Managers" at Washington, telling them what they should do in the way of stimulating inflation, but they had been far too timid in responding to his pleas. When last heard from, he was appealing over the heads of the Reserve Board to the President.

Why, then, were so many of the so-called "experts" taken by surprise when the big break came in August?

First, probably, because forecasters are always slow to see bad news coming. Their minds are not receptive to it. This is so because they exist to serve the public, and the public is interested in buying, not selling. Furthermore, no one wants to be a Cassandra. Bullish forecasts that fail to make good do not win many clients, but people have a way of forgetting them; bearish advice that turns out bad, experience shows, is much harder to explain away. It takes infinitely more courage, in other words, and a great deal more certainty of one's facts, to be bearish than to be bullish.

Second, cheap money deceived many people. This

Are You Willing?

WE ARE RAPIDLY approaching the peak of the crisis when it shall actually be determined whether or not our economic structure will stand and whether or not government will stand a strain.

What are you going to do about it? Are you willing to join a battalion of death to save the constitution and this system of government?

I believe we are going to win, probably; I am not sure. I have been going home feeling out the people, and it is my judgment that, within the past three years, there has come a regeneration in the American people that has no equal in human history. . . .

I don't think we need to be afraid to tell our people the truth now. If they can't face the facts we can't win through anyhow. . . .

History reveals no case where a people who once possessed the power of self-government ever lost their freedom (except by conquest) save those cases where they got so inefficient that they were no longer able to tender within themselves an agency through which the government could be carried on.

People ask me if I think we will have a dictatorship. It depends entirely upon the people. If the American people cease to be able to carry on the government of this country, a dictator is absolutely certain. . . .

From a speech by HATTON W. SUMNERS, Democrat, of Texas, Chairman of the House Judiciary Committee

WHERE DO YOUR CUSTOMERS LIVE—AND BUY—IN NEW YORK?

Who are your best customers in New York? Where do they live and buy? How can your advertising build a volume market in New York?

The market research department of The New York Times has found some of the answers—it may be to your problem. New selling facts have been gathered from thousands of retailers and consumers in New York. Laundry soap, refrigerators, cold cream, camera film are some of the products covered in market surveys. The investigations all point to a single, vital conclusion for every advertiser in New York!

The most active volume markets for advertised products, regardless of price, are neighborhoods where purchasing power is above-average.

Whatever you sell or hope to sell in New York, these studies show how to concentrate your advertising in areas where merchants and outlets produce your biggest turnover. It's easy and economical to do this in New York—because The New York Times provides you with a bigger market of above-average families than any other newspaper. This fact, more than any other, is the foundation of The Times nineteen consecutive years of advertising leadership in New York.

The New York Times

"ALL THE NEWS THAT'S FIT TO PRINT"

HIGHLIGHTS OF MARKET FINDINGS

Refrigerators:

Families in homes valued at \$10,000 or over are the most active new refrigerator market. Growth of the replacement market definitely dispels the idea that the above-average market is "saturated".

Laundry Soap:

Average weekly sales of five advertised brands are three times as great per outlet in above-average neighborhoods as in below-average neighborhoods.

Camera Film:

Camera ownership per family in above-average neighborhoods is double that in below-average areas. Film sales per outlet are three times greater in the better areas.

Cold Cream:

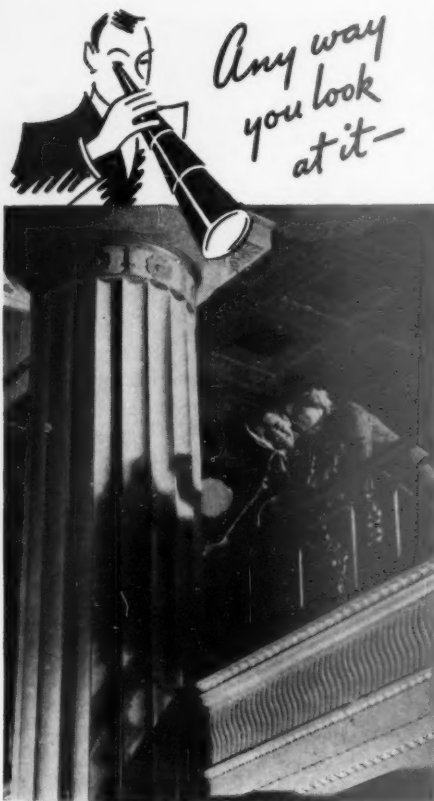
Unit sales of two leading brands are 100 per cent greater in drug stores in above-average areas—and more of the purchases are large-size units.

Cocktail Crackers:

One store in an above-average district sells as many packages as four stores in low neighborhoods.

INVITATION to EXECUTIVES

Full information on all studies completed will be gladly furnished on request to The Times Advertising Department. Many major fields have already been covered and other investigations are planned to round out this valuable market picture.



IT'S GOOD BUSINESS to stay at NEW YORK'S No. 1 HOTEL!

Look at it from any angle—you'll see why New York's famous Hotel Pennsylvania is traveller's choice! It's convenient—within easy distance of important business, theatre and shopping districts. It's comfortable—there's luxurious ease in every bedroom. And if, at day's end, you seek sparkling relaxation—no need to roam! The gay MAD-hattan Room, with Benny Goodman and the nation's No. 1 Swing Band, is a center of New York life!



NOT 1, BUT 4! Yes, four restaurants in Hotel Pennsylvania, serving fine food priced for every purse!

HOTEL PENNSYLVANIA

STATLER OPERATED

ACROSS FROM PENNSYLVANIA STATION, N. Y.
Frank A. McKowne, President • J. H. McCabe, Manager

2200 ROOMS
each with private bath
Rates begin at
\$3.50

was probably the first time in history that the country had seen a stock market boom (and a two-year bull market is certainly that!) unaccompanied by high money rates.

Third, brokers' loans never rose to much more than \$1,000,000,000. This is an almost nominal figure when one compares it with the \$8,000,000,000 employed in the stock market in 1929. This also probably served to throw many observers off in their calculations. Evidence of money strain, if not in money rates, then at least in volume, was certainly to have been expected before a break such as that of August-October by those who did not realize the pure artificiality of the present money situation.

Fourth, the business indices were, if not precisely untruthful, at least uninformative. They reflected a condition which did not exist. This is because nearly all business indices are based on current production and distribution, and production and distribution continued long after orders had ceased to come in volume. During the so-called "sellers' market" of the spring, as the President rightfully pointed out at the time, an unhealthy situation existed because of forward buying at rapidly rising prices.

Unfortunately, the President's remarks on the situations in steel, cement and copper not only reduced forward buying, but reduced it violently. A typical picture of what was happening between December, 1936, and August, 1937, is revealed in the indices of orders and production of steel castings in that period. Here is how they ran:

	1936	Orders	Production
December		159	84
1937			
January		115	90
February		96	93
March		158	112
April		99	105
May		69	96
June		72	101
July		58	87
August		55	92

It is clear from these figures—which represent a fair cross-section of a large part of industry in the United States—that from April on, business was simply coasting along on orders received earlier.

Fifth, the tendency of many advisers to forecast on the basis of monetary changes. This introduced an entirely new element in forecasting. When one knows that the dollar will always be worth so-and-so much an ounce, that the credit will always reflect the demand for, and the supply of, that commodity—under such circumstances, forecasting is a dubious enough occupation. But when one sets out to predict as well what levers will be pulled at Washington to prevent natural forces from asserting

themselves, or, as may be the case, to stimulate such natural forces, then, in truth, the business of forecasting is reduced dangerously close to pure guesswork.

This becomes the more obvious when one realizes that few understand the mechanics of monetary management, and even fewer—including, one sometimes suspects, the managers themselves—what *actual*, as contrasted with *theoretical*, results will flow from a given course of action.

Unpredictable politics

SIXTH, Politics. Never before have those who made stock market and business forecasting their trade had to face political uncertainties even remotely approaching those of today. Just consider, for example, these few episodes of 1937, all of which were political in their origins: the labor troubles in the first quarter, and their epidemic of sit-down strikes; the surprise message of the President on Court Packing, with its almost limitless implications for social and business change; the bitterly waged labor disputes in the steel industry in May and June; the appointment of Senator Black to the Supreme Court; the proposed wage standard bill; the calling of a special session of Congress; and the President's "quarantine" speech at Chicago, in the middle of October.

Who is to say how much these developments, singularly or collectively, contributed to the general lack of confidence on the part of business and the markets which developed in mid-summer.

Seventh, and finally, the complete collapsibility of the financial markets. It is not necessary here to go into the debate as to what made the markets thin and vulnerable. We do know that they were; and that few observers were prepared in advance to believe that they could be quite so susceptible as they were to a comparatively small volume of selling.

These, it seems to me, are the principal reasons why market forecasters were generally taken by surprise in the 1937 collapse. But this is not to suggest that forecasting ever could be fairly considered an exact science. Indeed, such studies as we have on the matter tend to indicate that, so far as the run of mine predicting is concerned, it shows little if any advantage over the law of averages. The so-called Cowles study of the records of 16 financial services, for example, showed that in 7,500 selections made between 1928 and 1932 the results were poorer than that of the average common stock. Similarly, Cowles found that the records of

stocks named by 24 financial publications failed by four per cent to show as good result as pure random selections. It should, perhaps, be interjected here, however, that his findings are based solely on short-term price predictions, and do not concern themselves with investment return.

All this being so, Mr. Cowles' exhaustive study has served to confirm a maxim that all but professional forecasters should cherish. That is the adage that "prediction is the most gratuitous form of human folly."

Shake Hands With Our Contributors

WE ARE giving our readers this month a magazine which seems to us to include an unusual quota of concise information pleasantly dispensed. Co-operating in presenting this holiday package are a number of contributors who are new to the NATION'S BUSINESS roster.

J. Harry LaBrum is a member of the law firm of Conlen, LaBrum and Beechwood, Philadelphia. He is a member of the Philadelphia, Pennsylvania and American Bar Associations, and an active committee worker for all these organizations. He is a former special attorney general for Pennsylvania and at one time was vice president of the American Bar Association.

Charles Stevenson, whatever post he may be filling at the moment, is primarily a reporter at heart. Between tours of duty as an editor, he has covered Washington departments for various newspapers and news services, handled a roving political-economic assignment for a number of papers, syndicated his own articles, done special writing for one paper and another and contributed to magazines including American Mercury, Current History, Liberty and NATION'S BUSINESS.

George Sylvester Viereck is best known as a writer of books which not only record history but interpret it. Among his better known works are "The Strangest Friendship in History," and "My First Two Thousand Years," of which he was co-author. His latest volume, "The Kaiser on Trial," is just off the press.

George H. Barrows has held many newspaper posts in Washington and elsewhere. Until recently he was an associate of David Lawrence.

Ruth McInerney is no stranger to NATION'S BUSINESS readers, although her recent appearances have been rare. We have never made out exactly what she does—something about publicity, advertising or merchandising—but merchants in many parts of the country



● There's one thing every father and daughter can agree upon—death on the highway is pretty closely linked up with high speeds. What better bargain could a father make with his youngsters—than that they may have the freedom of the family car as long as they stay under 50?

The "NOT-OVER-50" CLUB, sponsored by Lumbermens in an effort to help reduce the appalling toll of traffic accidents, is a ready-made way to put that bargain with the youngsters on the records. Each may join—without cost or obligation of any kind—and each will be reminded of his pledge by the little red arrow on the speedometer. All you do is agree not to drive over 50, and to abide by the CLUB's common-sense driving rules. Just send the coupon for the membership card and free emblems.

Lumbermens sponsors the "NOT-OVER-50" CLUB as a contribution to the nation's safety and as part of its program to reduce the cost of automobile insurance for its policyholders. Lumbermens insures only careful drivers and prevents accidents among this preferred group through its comprehensive safety program. This results in fewer losses which, coupled with the company's economical management, make possible the big cash dividends which have been paid to policyholders every year. To learn how you may *save with safety* on your automobile insurance, check the square in the coupon below.

LUMBERMENS MUTUAL CASUALTY COMPANY

JAMES S. KEMPER, President

Save with Safety in the "World's Greatest Automobile Mutual"

HOME OFFICE: MUTUAL INSURANCE BLDG., CHICAGO, U. S. A.



"NOT-OVER-50" CLUB, 4750 Sheridan Road, Chicago, Illinois

Please send me..... safety packets described above. I understand that these insignia are free and this places me under no obligation. ☐ Please show me how I can "save with safety" on automobile insurance. N. B. 12

Name.....

Address.....

City.....



Red Arrow Warning



Rear Window Insignia



Safe Driving Pledge

SAFETY EMBLEMS FREE

You do NOT have to be insured by Lumbermens to join the "NOT-OVER-50" Club, nor do you place yourself under any obligation. Fleet owners may have insignia for every car.

JOIN THE
NOT-OVER-50
CLUB



PROTECT your PROPERTY from FIRE and CRIME

THE HAZARD OF FIRE from chance defects in heating and wiring systems increases greatly with the cold of winter. Deserted streets, the black of winter's long nights give crime renewed opportunities.

YOUR WATCHMAN'S duties become more important, more difficult, less pleasant.

INSURANCE STILL protects your values, but it reimburses you only after something happens. It does not repay for the loss of time, orders, sales and records that a fire entails.

BUSINESS MUST provide the element of sure detection that stops the occurrence of these losses—and the simplest, most efficient way is by watchmen, properly checked by a supervisory system. And the simplest, most efficient way of supervising the watchmen is a Detex Watchclock System, as evidenced by 50,000 now in use.

ASK DETEX to supply information on a thoroughly modern system that will fit your present needs.



DETEX WATCHCLOCK CORPORATION
80 Varick St., N. Y. 4153 Ravenswood Ave., Chicago, Ill.
29 Beach St., Boston Room 800, 116 Marietta St., Atlanta
NB-12



have frequently sent for her when the going got tough.

L. M. Graves tells a good bit about himself in his article. He is an economist-statistician with a penchant for contributing to magazines. You have seen his work elsewhere.

W. O. Saunders was for nearly 30 years publisher of the Elizabeth City, N.C. Independent. He isn't any more. His article explains why.

A. M. Ferry is a member of the firm of Ferry and Dawson, consultants and advisers to business men and trade associations. Research for his article in this issue was done with preparation of a book in mind.

John Mulholland is, as he explains in his article, a magician. What he doesn't mention is that he is also editor of "The Sphinx," official magazine of the profession of magic.

Ordway Tead has been active in the

publishing field for many years. At present he is economic book editor for Harper & Bros. Previously he was identified with personnel work, a subject on which he has written a number of books.

Coming in January

BY WAY of starting the New Year right, the January number will include many articles of immediate importance. Among them will be a discussion of the gold standard by Stephen Leacock, an article, incidentally, that is unique among writings on this subject because an ordinary man can understand it. Those who have been watching the increasing number of consumers' organizations with either alarm or interest will want to read, "The Consumer Clans are Gathering," by Fred DeArmond, while every business man from corporation president to corner pitch man will learn something from Howard Wood's discussion of industrial publicity efforts as viewed by a working newspaper man.

The Art of Being a Good Boss

(Continued from page 38)

rather than lessen his standing with his force.

If the reasons are good enough to justify a refusal, they are good enough to carry conviction to the men. If the latter is true it would seem good policy to explain why the answer is negative.

In that regard, many bosses seem to feel that it is beneath their dignity to explain anything. In this policy they are riding for a swell fall. It may appear to work in the army, where men are enlisted for a set term and cannot quit. In a business institution men have several options. They can stir up trouble among the force, they can slack off in their work, or they can throw up the job.

Reasons must be explained

PARENTS who want to raise children to be a credit to them have learned that it is poor tactics to use the iron hand. When a youngster wants something very much, and it is impossible to grant the plea, the wise father or mother takes pains to explain why.

It is much more important to follow the same principle with adults who are more or less accidentally thrown under one's power to dispense or grant needs and desires. Let us forget the fact that it is the decent thing to do—the profit and success motives are entirely sufficient to make it worth while.

In connection with the six items which men want, it should be noted

that three are active needs for which men will ask. The others are things that they frequently do not recognize as needs and rarely ask for. This does not minimize their importance. Some experienced observers will contend they are more important than the first three.

If one is inclined to doubt this view, let him look at a certain type of government employee. Thousands of these men and women take much lower pay than they could get in industry, live and work in a political atmosphere which they hate, punch time clocks and run like the devil to avoid tardiness in the punching. Some of them will be found on the job nights, Sundays and holidays.

They only get two of the six things men want—pride in their occupation and a sense of importance in the scheme of things. They are not the majority, of course, but there are enough of them to prove the point.

The skillful boss will look carefully at these six items and others which he feels are peculiar to his own people. He will be working constantly to find ways to meet those needs.

There may be times when it seems desirable to wait for a request before meeting a situation. If this policy is adhered to on all occasions, the men may well feel that the boss has no real regard for their viewpoint but gives only what he is forced to give.

There can be no set rule. It should be remembered, however, that the element of surprise sometimes adds pleasure to the concession. On the

other hand, putting on the airs of a benefactor or asking too much credit are about as bad as grouchy yielding under pressure.

Whether the institution seeking it is the largest or the smallest, peace is largely a matter of how well the president, the general manager, the superintendent, and the foreman know their stuff. And those same principles of skilled "bossmanship" which keep the peace also get progress and profit in less spectacular ways.

In the Sweet Buy and Buy

(Continued from page 41)

you come into the tobacco store doesn't have a thing to do with British thermal units. It's the music, an alternate arrangement of he-man, good fellowship tunes, and soft seductive Turkish-like melodies that imply luxury in the smoke you'll buy. And the music authority will help merchants select appropriate ditties if they want to sell more hammers, onions or aspirin.

Meanwhile, the sales force has undergone a metamorphosis. The sales force is made up of the City's Finest. That's because 47 per cent of lost customers were found to be caused by some fault of the sales person, while only 14 per cent of customers stray away because of high prices. The sales girl gets frequent rest periods, a massage morning and afternoon, an extra lunch mid-morning and mid-afternoon. She must instantly report all toothaches, tired feet, backaches, and moods indigo. Then the doctors and psychologists get busy and the trouble is routed before the sales girl appears before the severest of all critics, the public.

In each store, there is a clerk especially equipped to handle the indecisive type of customer. Another, being a born listener and diplomat, is best able to cope with the know-it-all or talkative customer. A third, who happens to be gentle and understanding, works charms with the shy, inarticulate customer. The whole destiny of a store depends upon how ably a sales person presents the goods.

No wonder the sales scouts maneuver around the smaller shops on the lookout for promising material, waiting to lure away the talented recruit with possibilities.

All this seems far-fetched? So was America in 1491. Yesterday's fiction is today's fact. So, it's best wishes for a speedy discovery!



How to Figure Depreciation on a Husband

IS his forehead creeping higher? Is there a first faint hint of dignity at his belt line? He's still young, of course, but every husband and wife must face this fact: eventually he will wear out or drop out—grow old or die. Either way his earnings will stop.

That's why the family firm of YOU, Inc. needs a reserve for husband depreciation, just as every sensibly managed business creates a reserve for depreciation of the plant and machinery that produce income. There's a simple way to create that reserve—with the Northwestern Mutual Family Income Plan.

At attractively modest outlay, this plan achieves priceless things. If the husband dies, it guarantees a regular monthly in-

come while the children are growing up, and provides for their education. If he lives, there is a reserve for a happy, independent old age. It's a flexible plan. It can be fitted to your needs, on whatever scale you choose.

More than six hundred thousand family firms just like YOU, Inc. have turned to the Northwestern Mutual—with utter confidence in its impressive 80-year record, in its great billion dollar estate, in its inspiring record for low cost insurance.

You'll find the booklet entitled "How Much is Enough?" with its analysis form, a real help in figuring the depreciation reserve that should be set up for YOU, Inc. The coupon brings your copy.

The Northwestern Mutual
LIFE INSURANCE COMPANY

A Billion Dollar Estate

MILWAUKEE-WIS.

No. D-XE 21959-D

The Northwestern Mutual Life Insurance Company
Milwaukee, Wis.

PAY 100 DOLLARS A MONTH FOR LIFE

To the order of

Mrs. _____

Address _____

City _____ State _____

Your Date of Birth _____

Fill in
your wife's
name here

PRESIDENT

TREASURER

SPECIMEN

NB 12-37

The Business of Miracles

(Continued from page 50)

performances a day. These shows are usually given in the large motion picture houses between the feature films. The Fu Manchu show, under the personal direction of David Bamberg (incidentally the seventh generation of his famous family to practice the art of magic), gave up attempting to work in America and went to Latin America where at most two shows a day are given and then at a reasonable pace. There was no trouble booking the show and, as competent critics declared it to be the finest performance of magic ever to be given in America, there was no difficulty in getting people to the theater. His contract called for a fabulous amount which the managers were glad to sign but he did not have the physical endurance to work at the top speed and for the number of shows required each day.

Twenty-five years ago, when I began magic professionally, I attempted after conversations with older magicians to analyze the business of making mysteries. The first thing brought to my attention was that, were I to become the best magician in the world and no one came to see my show, I should be a failure, and were I to be the worst magician of all time and pack the theater, provided the audience didn't throw things at me, I should be a success. In other words, how well one does his work on the stage is less important than whether the public is interested enough to pay to see it done.

Early in my professional life I made up my mind to devise a program so flexible that it could be done anywhere, under any conditions, without assistants, and with easily portable equipment. What was in my mind was to have a performance which would fit in the program of the committee of any business or social organization planning an entertainment. It seemed to me it was better business to work for private organizations, a field where there was little or no competition, than to start in the highly competitive theater.

Naturally it required years to make up such a program. Some of my material I traveled all over the world to gather—some I devised. Finally, for one of my mysteries, it seemed necessary to have an assistant but the thought of the assistant's traveling and living expenses and his salary prompted me to continue work. At last I devised a piece of

mechanism which eliminated the assistant. It is small—about the size of a can of soup—but it is delicate and the experiments and construction cost \$2,000. It is used merely to exert a little pressure at the right instant as an assistant would do with his hands.

My colleague, Jack Gwynne, recently pointed out to me that today most successful magicians have flexible acts because, if a man is to work steadily, he must be prepared for anything. Gwynne, this past season, has performed in vaudeville shows, motion picture palace presentation programs, outdoors at state fairs, on the dance floors of cabarets, and before motion picture cameras. With his finesse and adaptability, it is needless to mention that he works continually.

No pay for answering questions

I HAD entertained, in my early years, on the dais behind the speakers' table at conventions, on the platforms in the halls of fraternal organizations, on the stages of theaters engaged for the occasion, on makeshift platforms in club lounges, and even in a prize-fight ring. At that time, I had the rather odd idea of charging for my services by the minute—I was young and furthermore, knew nothing about managers. All the shows I gave I found for myself, which explains why, at that time, it was necessary for me to teach mechanics day time as I was not earning enough nights to support myself.

At the faculty club one noon, I complained that something was wrong, because I was being hired for 30 minutes or so for which I was paid and then at the end, on my own time, was asked questions about various phases of magic which took me longer to answer.

"My boy," said one of the old professors, "you should charge for your talk and throw in the tricks. Sell it as a lecture."

So I became a "lecturer," talking about Oriental magic, the psychology of deception and similar subjects, now and again in my talks proving my points by actual demonstrations. It is fascinating work and again I needed no assistant.

Having both shows and lectures took me away from home more and more and it was necessary to have a manager to do the "booking." I have been under the same management

now for about 15 years and am happy about the association. The difference between a manager and an entertainment agent is that the manager works for a straight commission while many agents buy an entertainer at his lowest figure and sell him at the market's top, pocketing the difference. This will explain why some organizations have such poor entertainment. They are getting the cheapest talent available although paying the top price.

As an "authority" lecturing on my subject, I was in a substantially higher priced field. It soon occurred to me that, when giving my shows, I was quite the same person as when a lecturer and furthermore the traveling, research, and study which gave the material for the lectures had really been done for the benefit of my show. I therefore asked for and received as much for my shows as for the lectures because all that any patron wanted to know was if someone else had paid as much and been satisfied with my work. As 75 per cent of my work today consists of re-engagements, those early worries are no longer bothersome.

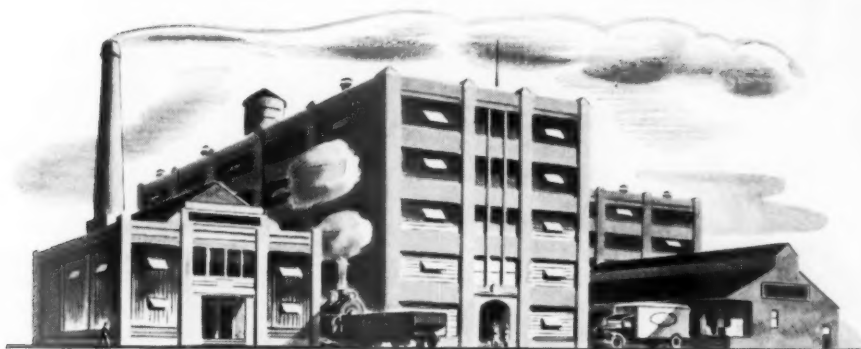
A certain proportion of my clients have ideas of their own which they wish me to follow. Whenever it is possible magically I accede to these requests, but agreeing to meet special conditions brings amusing requests.

Odd tricks for conventions

THIS season I have mysteriously produced 300 ice cubes for a convention of an electric refrigeration firm, performed tricks for the employees of a national magazine, using their publication for equipment, done a series of tricks with surgical instruments for a doctors' convention, and followed a college president in giving the second part of a program before a convention of physicists.

One of the interesting sides to the business of magic is brought about by the odd hours in which the work is done. Although once in a while we have to give morning performances, such engagements are most infrequent. Sometimes, too, our contracts call for an afternoon appearance, but usually we work at night. This is particularly true of those of us who work upon a single appearance basis. It is amazing, unless one has had personal experience in keeping unusual hours, to discover that almost no arrangements are made for

The Jones Manufacturing Company, Inc.



is just **JIM JONES**



by Long Distance

BACK of every business, big or little, is a *man*. It pays to remember him. Whether you're selling or buying or collecting.

For example, if you send an announcement of a price change to The Jones Manufacturing Company, Incorporated, it may or may not bring back an order.

But if you telephone James J. Jones and say, "Jim, we've just got some news about prices," your chances of making a sale are greatly helped.

A Long Distance call reaches the right person promptly. It puts your business on a human, friendly basis. It adds to your story the warmth of your voice, the force of your personality. It provides two-way discussion that often untangles difficult situations.

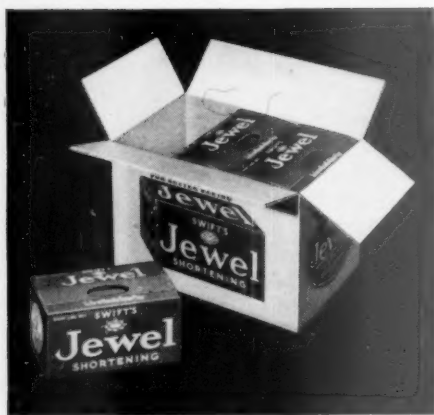
Salesmen, purchasing men, credit men, executives everywhere are using Long Distance more and more—*because it gets results—inexpensively.*





Safe

on arrival



When your products travel in Gaylord Boxes, you can be certain they will arrive at your customer's door in the best of condition.

Every new Gaylord corrugated or solid fibre shipping box is designed by highly skilled packaging specialists, built of tougher materials and put through exacting laboratory tests. The result is hundreds of satisfied users who have learned to have confidence in the famous Gaylord "Margin of Safety".

Let Gaylord help solve your shipping problem. Write today for facts and figures on what we have done for your industry and what we can do for you.

GAYLORD CONTAINER CORPORATION

General Offices: SAINT LOUIS



There is a Gaylord plant or sales office in your territory.

the convenience of the person who works nights.

Railroads infrequently arrange their schedules so that trains will arrive at their destinations in the late afternoon. The trains are run so that business men will reach their towns in business hours. Of course, as is the case with all general statements, this is far from invariably true. It is not true, for instance, between two nearby points with heavy passenger traffic. However, it certainly seems to be true in a large number of instances.

If it is difficult to get into a town in the late afternoon it is doubly so to try to get out in the middle of the night.

Furthermore a person who appears at a hotel at midnight or thereafter, without having driven up in an automobile, is completely suspicious to a hotel clerk. The suspicion becomes even more marked when he notices his patron is wearing evening clothes.

Once having gotten a room, try and get a meal. The hotel dining room has either been closed for hours or

has been converted into a grill with a dance orchestra. If one lone male walks into the grill and gets an adequate meal he will have waited a large part of an hour and then settled by paying a fantastic check. Of course, anyone who goes to a "night club" for a full dinner must expect to pay. He will not be disappointed. The only other place in many towns open late at night is an "Owl Wagon."

One night clerk in a hotel in a small city whose inhabitants lack the vice of staying up late always orders a double meal when he knows I am to be in town. When I come back from my show he and I spread the sandwiches and cake upon the registration desk in the lobby and enjoy ourselves thoroughly. When we finish the meal and the crumbs are brushed away we take our after dinner coffee cups to the big lounge and finish in style. He is a well-informed gentleman who in his early days knew several actors and through them discovered that a meal upon finishing work is welcome to those of the theater.

I Joined the Union to See the Sea

(Continued from page 26)

regulations. Recently he was in a lifeboat for the first time when he was one of two men sent ashore at Virginia Beach on an errand from the ship to which he had been assigned. His inexperience was immediately revealed and the master of the vessel asked him how he had ever obtained a lifeboat certificate.

"I knew all the answers," he replied.

Reverting to the lifeboat drill in which I participated: When the alarm sounded I quickly found my station. With other members of the crew we unfastened the davits and swung the boat out from the vessel's side. I had expected actually to launch the small boat. Instead, the ship proceeded at usual speed, we swung back the boat, made the lashings fast and were dismissed. Perhaps we would have succeeded in getting the small boat afloat in case of necessity. More likely not.

Upon our arrival in New York several of the regular crew took their discharges. While shower baths were being installed in the crew's quarters, the vessel was inspected by the United States Steamboat Inspection Service. The only part of this inspection that I witnessed was the life-preservers and lifeboats. The examination of life belts was thorough and a number were ordered replaced. The equipment of lifeboats was then thor-

oughly overhauled. Each small boat was found to carry its quota of signal lights, lifebelts, barrels of water and hardtack. Some of the hardtack, however, was found to be infested with worms and ordered replaced.

Just before sailing for a Canadian port, three men came aboard to replace those who had received their discharges in New York. These men were provided by the other union which evidently was in control at that port.

One of them was so drunk that he had to be hoisted aboard in a cargo sling.

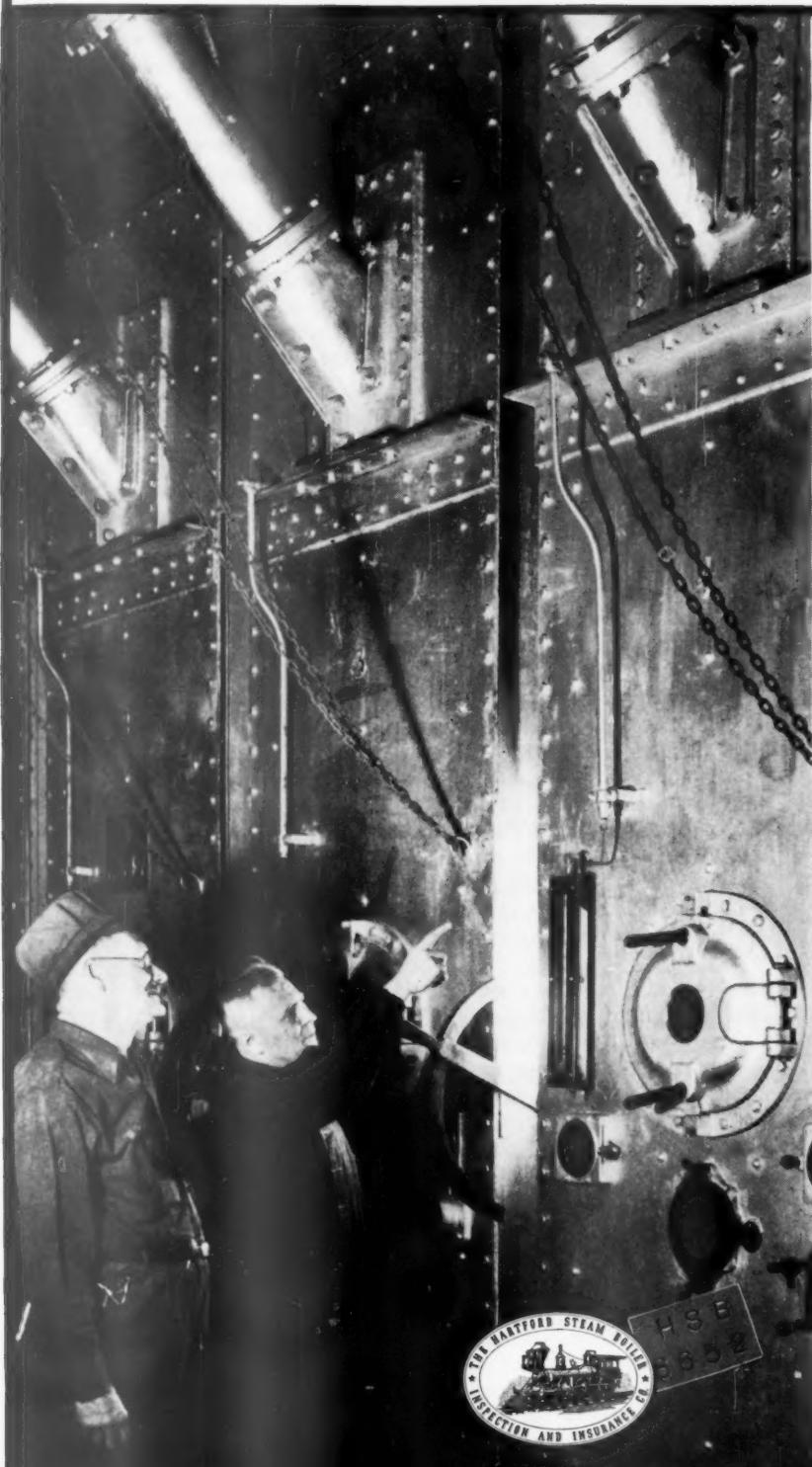
Until this time I had noticed no one drinking aboard the ship. The new man, whom we will call "Frenchy," soon changed that. His duffle-bag which had accompanied him in the cargo-sling contained a reserve supply, with which he was most generous, and he soon revealed that he was an organizer for the other union.

Throughout a voyage to Canada it was noticeable that Frenchy did not work. On the other hand, he objected when other members of the crew did anything and constantly was reminding them of their "rights."

I early got in disfavor with Frenchy because I took over a watch 15 minutes ahead of time. I had said nothing about my experience as a boxer but something seemed to warn Frenchy and he did not press me too far. After this episode I took pleasure

SHOULDER *to* SHOULDER...

FOR POWER'S SAKE



THROUGHOUT the length and breadth of the land, traveling many million miles yearly, go the Hartford inspectors . . . *power's G-men on the qui vive* . . . striving to forestall disaster. In the boiler-rooms, engine-rooms, and all power-plants which Hartford Steam Boiler insures, they are welcomed with warm sincerity. They are the friends, alike, of the men in white collars and of the men in blue denim. To many a knotty power-plant question they bring the most economical answer.

This inspection-force is but one unit of an unique organization which stands shoulder to shoulder with its policyholders. The company brings to them the counsel born of 71 years of accumulated experience. At their disposal are the findings of its feed-water laboratory, the competence of its expert Home Office engineering-staff, and the resourcefulness of its underwriters.

Your local agent or broker can tell you more about how Hartford's twin functions . . . insurance-protection and engineering-inspection . . . make for your peace of mind.

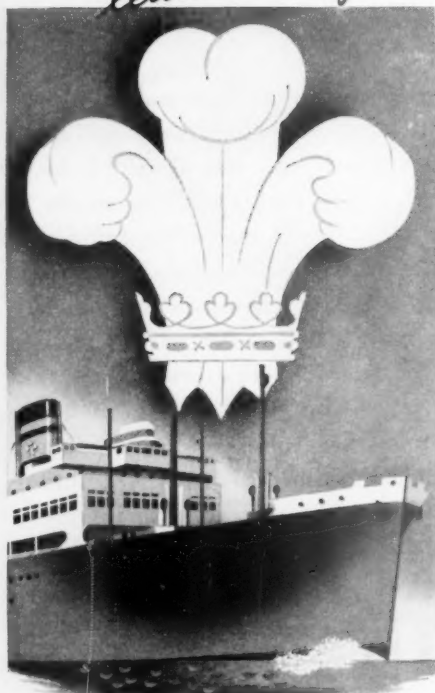
• • •

This familiar seal, the hall-mark of the largest purely engineering insurance company in the world, appears on all Hartford Steam Boiler policies. . . . Engineering insurance covers loss from damage to property or persons, and stoppage of production, business or rents due to explosions of boilers and pressure vessels, and accidents to power and electrical machines. . . . Ninety per cent of all power boilers built for America's industrial plants bear the HSB imprint, placed thereon by the Hartford inspector who passed upon their design and watched their construction.

**The Hartford Steam Boiler Inspection
and Insurance Company, HARTFORD, CONNECTICUT**

THE 4 PRINCES

Lead the way



To **SOUTH AMERICA'S**
East Coast

Are you going to Rio . . . Santos . . . Montevideo . . . Buenos Aires? Veteran travelers between the two worlds of the West will tell you to "go Furness Prince"! On this important ocean highway, four magnificent motorships . . . *Northern Prince, Southern Prince, Eastern Prince, Western Prince* . . . have set a rare standard of luxury, of good-living-at-sea and of British dependability.

Adding new lustre to the Furness flag, these brilliant, recently-built vessels bring traditional Furness comforts to the East Coast trip . . . outdoor tiled pools, deliciously-prepared meals, abundant deck spaces, tastefully appointed lounges, staterooms . . . and a corps of stewards who are sticklers for neatness, courtesy and ship-shape cleanliness.

You'll enjoy the *East Coast*—it will open new and thrilling travel horizons. And you'll enjoy it all the more because of the Four Princes!

Sailings every fortnight from New York, with call at Trinidad on return voyage. Reservations and literature from your own TRAVEL AGENT or Furness Prince Line, 34 Whitehall Street or 634 Fifth Ave., New York City. Phone BOrding Green 9-7800.

FURNESS
Prince
LINE

in baiting him.

Immediately after we had docked in a Canadian port, Frenchy went ashore. We next heard from him after the vessel's captain had gone ashore, paid a stiff fine and talked the Canadian authorities out of imposing a prison sentence upon Frenchy for indecent exposure.

It seemed to me that Frenchy would then show a little gratitude toward the ship's officers. On the contrary, he boasted that the union compelled the captain to take care of him and that, therefore, he owed him no thanks.

From Canada we sailed for Boston. Throughout the trip Frenchy tried to induce the crew to strike as soon as we reached the New England port. There was no immediate issue of wages, hours or treatment but Frenchy proposed that the men join his union without cost. They would then strike for a complete union—his union—crew.

Most of the boys were easily led and willing to do whatever the majority seemed to want. Though, by virtue of \$10 paid at Baltimore, I could already claim to be a member of his union, I opposed Frenchy's plan and believe that I prevented a strike of the deck crew while in Boston. On the other hand, the "black gang" composed of firemen, wipers, oilers and water-tenders, went on strike and tied the ship up for four days.

While we were delayed by the strike, the Captain decided to have the ship towed into deep water to avoid dock expenditure. A tug boat was sent for and was about to cast us a line when a union organizer jumped forward and shouted, "This ship is on strike." The tow boat crew promptly waved their hands and turned away.

At least the enforced lay-over at Boston had the effect of eliminating Frenchy. His record was traced and it was discovered that he was not an American citizen. Regulations allow 25 per cent of the crew of an American ship, excluding licensed officers, to be non-citizens of the United States. Frenchy brought our quota into excess.

I hasten to say that I am almost totally unfamiliar with regulations governing American shipping and seamen. However, I cannot escape the conclusion that federal authorities, ship owners and ship officers are alike subject to the apparent power of squabbling unions. Though a ship master at one time was absolute monarch of his domain, today he hesitates to censure a seaman. Almost certainly the union would relay a report to his owners and he would be removed from command on the grounds that he was "temperament-

ally unfit."

Upon one occasion I heard Frenchy use abusive language to the second officer. Later I asked the officer why he had not knocked the man down.

"I'd lose my ticket," he replied. "That fellow is a union organizer and is just looking for an excuse to start something. I wouldn't get any sympathy from my owners nor from maritime authorities in Washington."

After settling our strike in Boston—on what grounds I do not know—the ship was finally able to return to Baltimore after a voyage on which Frenchy's presence had cost several thousand dollars through delayed sailing, dockage fees and other expenses.

I came ashore with the physical improvement for which I had hoped; the \$55 a month wages of an Ordinary Seaman in my pocket and with a love for the sea and ships which I believe will always remain with me.

Good work for American boys

REVIEWING my experience, my first reaction is to wonder why more American boys of good families do not become merchant sailors. Certainly the food and quarters are satisfactory; there is constant satisfaction in the movement of a staunch ship and the thrill of visiting strange places, and I know of no shore job which provides so satisfactory payment for so little actual work.

As I figure the cost of room and board, the wages of an Ordinary Seaman are equivalent to \$25 a week ashore. An Able Seaman receives \$72.50 a month. Quarter-masters and comparable ranks receive about \$90. Officers' salaries may go as high as \$500 a month although the average income of a ship's captain is about \$400 a month.

From such incomes a sailor needs only to buy cigarettes and similar personal requirements. In addition, a sailor is privileged to buy cigarettes and other things without paying a tax.

Despite these favorable circumstances few American-born boys are shipping aboard merchant vessels, on the basis of my experience and contacts.² Though 75 per cent of the seamen, and all of the officers, aboard ships of American registry must be either native-born or completely naturalized citizens, it is apparent that the majority of crews are most loyal to the countries of their ancestry. Of the 38 seamen aboard the ship on

²According to the United States Maritime Commission approximately 60 per cent of seamen aboard American ships are native-born. This figure, however, includes those engaged in river, coastwise and lake navigation.

which I served only two or three were of American parentage. Included in a miniature "League of Nations" were Scandinavians, French, Italians, Germans, Filipinos (mess boys), Portuguese and even one Hindu. The cook, I believe, was a Russian. In any event, he confessed to me that he was not an American citizen and never would be.

This preference of foreign-born sailors for ships flying the American flag is easily explained by a trip aboard a foreign vessel. After receiving my discharge at Baltimore I had the opportunity to sail down the Chesapeake on a ship of foreign registry.

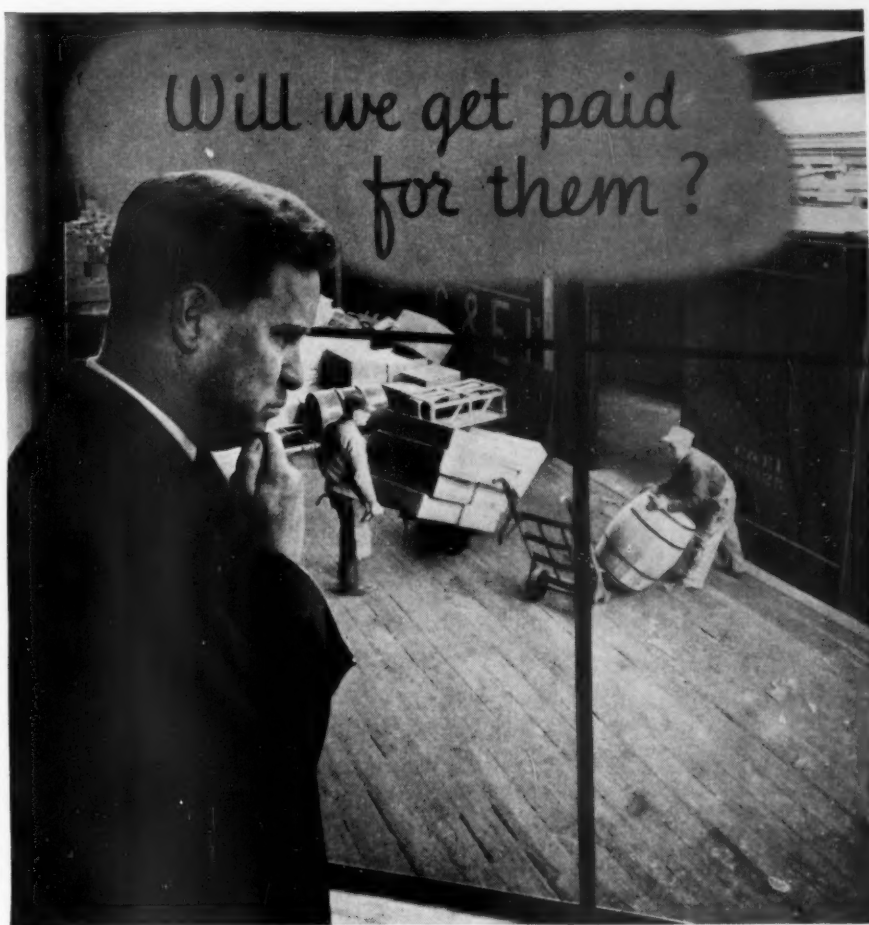
Ordinary Seamen on this ship, I was informed, receive the equivalent of \$14 a month in wages with no extra pay for overtime. I also shared a day's routine of meals. For breakfast we had cheese, bread and coffee. Lunch consisted of meat, potatoes, bread and some undefinable concoction labeled pudding. For the evening meal we had meat and cheese, bread, one fresh vegetable and coffee. Helpings were scanty and could not be replenished. . . . I was pleased to go overside with the pilot at the entrance to Chesapeake Bay.

This ship has for two years been plying between American ports and Venezuela. She carries American-owned merchandise to serve the needs of Americans—merchandise that should be carried in American ships providing employment for Americans. That is why legislation recently authorized the United States Maritime Commission to supply the cost differential between the building and operating of American ships in accordance with American standards of living, as compared with the costs of ships and ship operation under foreign flags.

So far, to the best of my knowledge and judging by my own experience, attempts to establish a workable program for the development of an American merchant marine have been frustrated by the strife of rival unions. In this strife, I am convinced, the man who goes to sea to make a living is the innocent victim.

Few of the men with whom I became acquainted have any real conviction in regard to either of the unions which seek to represent them. They ask only an opportunity to work and receive their wages. Jobs are available under conditions which are satisfactory to the workers.

On the other hand, too much credit cannot be given to the maritime unions which first were responsible for the improvement of the lot of seamen aboard American ships as compared with that of their fellows on foreign ships.



THERE GOES YOUR CAPITAL!

There goes your merchandise. There goes the result of your salesman's spadework and of your credit manager's faith. There goes your working capital. For 30, 60, or 90 days, there will be nothing to show for it all but some intangible figures on a ledger page.

What is the actual value of your receivables? Which accounts will be paid? How many will default, and for how much? Nobody knows.

It's asking a lot of your credit manager to assume full responsibility for "guessing right" in extending credit. The safety of receivables is really an executive problem. Thousands of shrewd executives solve it by insuring their sales.

Receivables covered by Credit Insurance are worth their value. Your capital is safe. Your profits are assured when you ship.

Credit Insurance covers losses from insolvencies, liquidates delinquencies, and protects against the prevalent "77-B" reorganizations. Protection is provided for Manufacturers and Jobbers selling under almost any terms or conditions. All accounts may be insured, or special groups, or individual debtors. Sales from branch offices or subsidiaries may also be covered at liberal rates. Ask any American Credit representative for full details.

AMERICAN CREDIT INDEMNITY CO.

of New York

Chamber of Commerce Building

J. F. McFadden, President

St. Louis, Mo.

Offices in all principal cities of United States and Canada

V22

The Temptation of Jonathan

(Continued from page 23)

tache remained unperturbed; and the children went on singing happily; wheels whirled, hammers boomed, and the sickles cut golden grain.

"Maybe," Jonathan said to himself, "it is a better world. But I have my doubts."

"You would have no doubts," the stranger insinuated, "if you were privileged to live in this happy land, the paradise of workers."

"Did you strike out any words from their language?" Jonathan timidly asked.

"Oh, yes, I edit all dictionaries; there are lots of words for which they will have no use until they achieve the ultimate ideal of Karl Marx. If I have not yet attained 100 per cent success, give me time—"

Jonathan listened thoughtfully, but said nothing.

"You must admit," the stranger argued, "that I have shown you marvelous accomplishments."

"Yes," said Jonathan, "I'd give my eye teeth if I could have some of these things and a square meal."

"You can have all these things," the stranger replied.

"What must I do to get them? I am only a poor guy out of a job."

The stranger became very friendly.

"It's really nothing at all," he said.

"Aha," Jonathan thought, "now comes the catch."

"I will give you all these things if you will fall down and worship me."

"The hell I will," Jonathan replied. "I remember a story my mother read to me when I was a kid. There was someone else to whom you offered the kingdoms of the earth; you know what answer He gave you. I am a plain American and I am very hungry, but I'll be damned if I fall on my knees before any man."

The stranger looked at him pityingly. His coal-black eyes seemed deeper than ever.

"It is obvious," he snickered with merriless amusement, "that you are a very sophisticated young man. I concede my approach was a trifle old-fashioned. It really is not necessary for you to kneel down. All you have to do is to wear one of my shirts."

And suddenly, out of the nowhere, appeared a box with an assortment of shirts. One was brown.

"That's a very fine shirt," the gentleman said, "and this one, too, is most becoming. Maybe you like black better than brown? And if you don't like this, how about the shirt with the hammer and sickle?"

"I don't like your shirts," Jonathan was emphatic.

"But my stock is unlimited; there is something to suit every taste." And he spread out his treasures before Jonathan. One shirt dazzled with gold; one was green like apples in the sun and one silver, like shining coins.

"I refuse to wear any man's livery," Jonathan said. "I won't wear yours. I don't know who you are, though I have my suspicions."

Identifying the tempter

THE stranger was plainly annoyed. His coal-black eyes changed to volcanic pools shot with flames of many hues. But he governed his fury.

"My, oh, my," he replied. "Where are my manners? Permit me to introduce myself, Master Jonathan. I have many names. Asmodeus, Mephistopheles, Old Nick, Satanos, Prince of Darkness, Lucifer, Belial and Beelzebub. My Grandma used to call me 'Bub' for short."

It seemed funny to think of the tall gentleman with the silk hat as "Bub."

"She does not call me 'Bub' anymore," the stranger replied to Jonathan's unspoken thought. "Since she bobbed her hair she calls me 'Toto'—'Toto' is short for Totalitarian. And I still advise you, for your own good, to choose one of my colored shirts; they are most attractive."

A determined look came into Jonathan's eyes.

"There's only one whose colors I'll wear. I'd even put on a khaki shirt for her."

And he whispered her name.

Straightway the stranger disappeared, leaving behind him only a puff of smoke and the faint odor of sulphur.

In his place stood a majestic woman, wearing stars in her hair for a crown and holding a torch in her hand.

"I'm glad, Jonathan," she said, "that you have made your choice."

"Yes, Ma'm," Jonathan said. "I love you, and I'll die for you if I must. But I notice that there are some corners down there that your torch never reaches."

The Goddess moved her gigantic arm. The torch, burning with new brightness, swallowed up all the shadows. And he saw millions of unemployed; he saw children working in sweatshops, and men in chain gangs and women faltering under their burdens. He saw great factories seized by lawless or deluded men,



new plumage
for the
Chief
long the finest and
fastest daily train to
California

Alone in its field as the hours-fastest and only extra-fare daily train between Chicago and California, the Chief is to be dressed anew from end to end this winter. With delivery of car after car of their new light-weight equipment, sheathed in gleaming stainless steel, the six regular trains of the daily Chief are gradually acquiring the matchless beauty and comfort of the famous Super Chief.

THE SUPER CHIEF

This superb extra-fare train, Diesel drawn and streamlined in stainless steel, strictly first-class and but 39¾ hours between Chicago and Los Angeles, attained instant and continuing popularity among discriminating California travelers—for its roominess and beauty of appointment, its speed and smooth-riding comfort.

• Again this winter, four times each week, the Chief will carry a through Pullman Pullman from Chicago, and there will be splendid service to and from San Bernardino, for Palm Springs, via both the Super Chief and Chief.

CALIFORNIA LIMITED

A perennial favorite for 40 years, the solid-Pullman California Limited, without extra fare, is another fine Santa Fe daily train between Chicago and California.

Our representatives will assist gladly in arranging all the details of your trip.

T. B. Gallaher, P. T. M.
Santa Fe System Lines
1108 Railway Exchange
Chicago

Santa Fe

MILLIONS MORE

Take Right Turn



TO ALL-WINTER
PEACE-OF-MIND
VIA 
GUARANTEED
"PRESTONE"
ANTI-FREEZE

More and more motorists each year discover it costs less to be carefree...that it's sound economy to buy the anti-freeze that's *guaranteed* and side-step the grief and expense of freeze-up, boil-away and rust-clogging. • Price-per-gallon means nothing. It's *cost-per-winter* that counts. Your dealer can tell you how much "Prestone" anti-freeze you will need for all-winter protection, but *no one* can foretell your needs in boil-away anti-freezes.



No other anti-freeze gives you a written guarantee like the one above. Read it, now. Order your "Prestone" anti-freeze today.

\$2⁹⁵
A GALLON



Buy "Prestone" anti-freeze from dealers who are properly equipped to service your car for winter driving.

The Factor speaks:



A merchant of London in the year 1635 wrote to his factor in a foreign land, asking him to send by the next ship "2 or 3 capes". The ink was rather poor, and by the time the letter reached its destination the "r" and the "c" had faded out. Great was the merchant's astonishment to receive seventy-five very amusing animals, with an apologetic letter from his factor promising to send "the remainder 128" by the next vessel. He thought that the merchant had ordered 203 apes. ¶ This humorous incident is noteworthy for two reasons. First, it shows that factors were serving the needs of merchants over 300 years ago. Second, it indicates that the extent and variety of their services were such that no request, however strange, seemed to them impossible of fulfilment. ¶ With activities extending from coast-to-coast and overseas, the modern factor today serves hundreds of clients in diversified industries.

"THE FACTOR" on request

James Talcott, Inc.

225 Fourth Ave. New York City

1854

1937



Ends Locker Room Evils



Saves Space

COMPACT
—3 persons
per sq. ft.

SANITARY
—open to air
and light

FITS IN
ANYWHERE
—any length

No. 3U
Patented and
Patents Pend.

Peterson Utility Wardrobe

Extensively used in leading offices, stores and plants to reclaim valuable floor space and to end locker problems. 4ft. x 1ft. rack provides individually separated, fully ventilated accommodations for 12 persons—hats, coats, overshoes and umbrellas. Available in any length (by the foot). Rigid steel construction; balanced. Portable (with tired rollers) or stationary types. Detachable or permanently attached coat hangers. Finishes in keeping with appointments of the finest offices. Shipped prepaid. Write for circular and prices. (Specify size, color, etc.)

VOGEL-PETERSON COMPANY, INC.

Manufacturers of the complete line of Peterson Check Room Equipment—standard in fine buildings everywhere.

1809 N. Wolcott St., CHICAGO, U. S. A.

Representatives in Leading Cities

angrily denying their fellows the right to work; saw racketeers of labor and racketeers of capital; saw kidnapers, gangsters, shysters and corrupt politicians. Here and there snobbishness, greed and ill will, raised their heads.

"I don't like that," Jonathan said.

"Neither do I," said the Goddess.

"Can't we stop all this?"

Clean up the bad spots

"YOU can stop it," she said. "I will help you to clean up this mess, left behind because your fathers moved forward too fast. America was too busy building to sweep away all debris and refuse."

Jonathan mused.

"Giving the Devil his due," he said after a while, "I didn't want to let on, but some of the old boy's stunts were damned fine. But what gets me are those dictator fellows."

"Leave other people to solve their own problems: grant them the freedom to order their house in their own fashion," the Goddess replied serenely.

"Sure, Ma'm," Jonathan grinned. "I don't mind their dictating, as long as they don't dictate to me. But if they tried to get over here, oh boy!"

The Goddess agreed.

"But how," the youth continued, "can I get some of the good things he showed me, without waiting a lifetime?"

"There's nothing in his bag of tricks," the Goddess retorted, "that you cannot get and still remain a free man."

"Will you give these things to me?" Jonathan suggested enthusiastically. "A miracle—"

"No, Jonathan, expect no miracles. No man can be saved by a miracle, unless the miracle takes place in himself. If you want social improvement, you must pay the price."

"I haven't got the price of a meal. Where will I find the dough to pay for vacation trips, athletic fields, model houses and things of beauty unless I take them away from the rich or unless I can buy them with phoney money?"

The Goddess shook her starry head sternly; then, softly, she said:

"You can earn them by the sweat of your brow, without stealing or cheating or selling your soul to the Devil. If you and the other Jonathans will work together with all the men and women in these states, with the men at the head and the men in the ranks, there is nothing you cannot accomplish. You need a little patience, a little time, less than you think, and you need discipline—discipline, not imposed from without, but from within, discipline maintained,

not for hate of your fellow men, of a race, or a creed or a class, but by love of me and love of your country. And by the way, Jonathan, don't forget to vote for honest men when you have a chance."

"I sure will," Jonathan cheerfully grinned. "I'll put my shoulder to the wheel all right. But, Ma'm, where will I find a job?"

He looked hopefully at the Goddess. But the Goddess had vanished. Jonathan was puzzled and disappointed. When he looked up, he saw her standing in the harbor, upholding her torch as of old. Its rays were brighter than ever and it seemed to him as if she were turning around to smile encouragement at him. He tightened his belt, braced himself resolutely, and suddenly he understood. And he bethought himself of a job, a job he had not wanted. He would take whatever work offered itself.

"After all," he murmured to himself, "they didn't have such an easy time that first winter, those guys who landed on Plymouth Rock in December, 300 years ago. No houses, no anything, either. And just think what they did. What they did, I can do, I and the other fellows, and the girls, too, all working together, with love, not with hate, in our hearts."

The youth, in that epic moment, grew inches in stature. No longer a boy, but a man, Jonathan went his way with new self-reliance and a new vision, and new faith in himself and his country.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACTS OF CONGRESS OF AUGUST 24, 1912, AND MARCH 3, 1933, of Nation's Business, published monthly at Greenwich, Connecticut and Washington, D. C. for October 1, 1937.

City of Washington, County of District of Columbia, ss. Before me, a Notary Public in and for the State and county aforesaid, personally appeared Merle Thorpe, who, having been duly sworn according to law, deposes and says that he is the Editor of Nation's Business and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, as amended by the Act of March 3, 1933, embodied in section 537, Postal Laws and Regulations, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business manager are: Publisher, Chamber of Commerce of the United States of America, Washington, D. C.; Editor, Merle Thorpe, Washington, D. C.; Managing Editor, Raymond Willoughby, Washington, D. C.; Business Manager, Lawrence F. Hurley, Washington, D. C.

2. That the owner is: Chamber of Commerce of the United States of America, said body being an incorporated organization under the laws of the District of Columbia, its activities being governed by a Board of Directors. The officers are as follows: President: George H. Davis, President, Davis-Noland-Merrill Grain Company, Kansas City, Mo. Vice Presidents: Fred H. Clausen, President, Van Brunt Manufacturing Company, Horicon, Wis.; Joseph W. Evans, Evans and Company, Cotton Exchange Building, Houston, Texas; Phillip J. Fay, Nichols & Fay, Merchants Exchange Building, San Francisco, Calif.; Clem D. Johnston, President, Roanoke Public Warehouse, 369 West Salem Ave., Roanoke, Va.; James S. Kemper, President, Lumbermans Mutual Casualty Company, 4750 Sheridan Road, Chicago, Ill.; George A. Sloan, 60 Broadway, New York, N. Y. Senior Council: John W. O'Leary, Chairman, Arthur J. O'Leary & Son Company, 221 N. LaSalle St., Chicago, Ill.; Lewis

E. Pierson, Chairman of Board, Irving Trust Company, 1 Wall St., New York, N. Y.; Elias H. Strawn, Winston, Strawn & Shaw, First National Bank Building, Chicago, Ill.; Henry I. Harriman, Chairman of Board of Trustees, Boston Elevated Railway, 20 Somerset St., Boston, Mass.; Harper Sibley, Manager, Sibley Farms, 100 Hiram Sibley Building, Rochester, N. Y. Chairman Executive Committee: John W. O'Leary, Chamber of Commerce of the United States of America, Washington, D. C. Treasurer: Robert V. Fleming, President, Riggs National Bank, Washington, D. C. Secretary: D. A. Skinner, Chamber of Commerce of the U.S.A., 1615 H St., N. W., Washington, D. C. Directors: O. J. Arnold, President, Northwestern National Life Insurance Company, 430 Oak Grove St., Minneapolis, Minn.; Samuel T. Bledsoe, President, Atchafalaya, Topeka and Santa Fe Railway Company, 1015 Railway Exchange, Chicago, Ill.; Chas. E. Bockus, President, Clinchfield Coal Corp., 75 West St., New York, N. Y.; R. E. Campbell, General Manager, Miller & Paine, Lincoln, Neb.; Samuel F. Claiborn, President, Protective Life Insurance Company, Birmingham, Ala.; Joseph M. Conway, President & General Manager, Hoberg Paper Mills, Inc., Green Bay, Wisc.; E. W. Demarest, President, Pacific National Lumber Company, Tacoma Building, Tacoma, Wash.; William C. Dickerman, President, American Locomotive Company, 30 Church St., New York, N. Y.; J. Walter Drake, 1718 Kales Building, Detroit, Mich.; James A. Farrell, 26 Beaver St., New York, N. Y.; Kerwin H. Fulton, President, Outdoor Advertising, Incorporated, 60 East 42nd Street, New York, N. Y.; Homer Gard, President, Journal Publishing Company, Hamilton, Ohio.; W. F. Gephart, Vice President, First National Bank, St. Louis, Mo.; A. P. Greensfelder, President, Fruin-Colton Contracting Company, Merchants-Laclede Building, St. Louis, Mo.; John C. Harding, Resident Executive Vice President, Springfield Fire and Marine Insurance Company, 222 West Adams St., Chicago, Ill.; A. C. Hardison, Vice President, Hardison Ranch Company, Santa Paula, Calif.; Clinton H. Haskell, President, Beatrice Creamery Company, 1526 S. State St., Chicago, Ill.; George S. Hawley, President, Bridgeport Gas Light Company, Bridgeport, Conn.; Adam J. Hazlett, President, Eastern Rolling Mill Company, Rolling Mill Ave., Baltimore, Md.; B. C. Heacock, President, Caterpillar Tractor Company, Peoria, Ill.; Arthur M. Hill, President, Atlantic Greyhound Corp., Kanawha Valley Building, Charleston, W. Va.; William W. Holloway, President, Wheeling Steel Corporation, Wheeling, W. Va.; William G. Irwin, President, Irwin-Union Trust Company, Columbus, Ind.; Erle A. Johnston, President, Brown-Johnston Company, Spokane, Wash.; Roger D. Lapham, President, American-Hawaiian Steamship Company, 215 Market St., San Francisco, Calif.; John A. Law, President, Saxon Mills, Spartanburg, S. C.; Sterling Morton, Secretary, Morton Salt Company, 208 W. Washington St., Chicago, Ill.; W. C. Mulendore, Executive Vice President, Southern California Edison Company, Los Angeles, Calif.; James F. Owens, President, Oklahoma Gas & Electric Company, Oklahoma City, Okla.; Justin Peters, President, Pennsylvania Lumbermans Mutual Fire Insurance Company, Philadelphia, Pa.; Thomas R. Preston, President, Hamilton National Bank, 7th & Market Sts., Chattanooga, Tenn.; Redfield Proctor, President, Vermont Marble Company, Proctor, Vt.; James W. Spangler, Vice President, Seattle-First National Bank, Seattle, Wash.; Thomas J. Strickler, Vice President & General Manager, Kansas City Gas Company, Kansas City, Mo.; William L. Sweet, Treasurer, Rumford Chemical Works, Rumford, R. I.; Elmo Thompson, Vice President, First National Bank & Trust Company, Tulsa, Okla.; Alexander Thomson, Chairman of Board, Champion Paper & Fibre Company, Hamilton, Ohio; Elliot Wadsworth, 89 Federal St., Boston, Mass.; O. S. Warden, Editor & Publisher, Great Falls Tribune, Great Falls, Mont.; Thomas J. Watson, President, International Business Machines Corp., 270 Broadway, New York, N. Y.; S. Clay Williams, Chairman of Board, R. J. Reynolds Tobacco Company, Winston-Salem, N. C.; William F. Witherow, President, Blaw-Knox Company, 2019 Farmers Bank Building, Pittsburgh, Pa.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

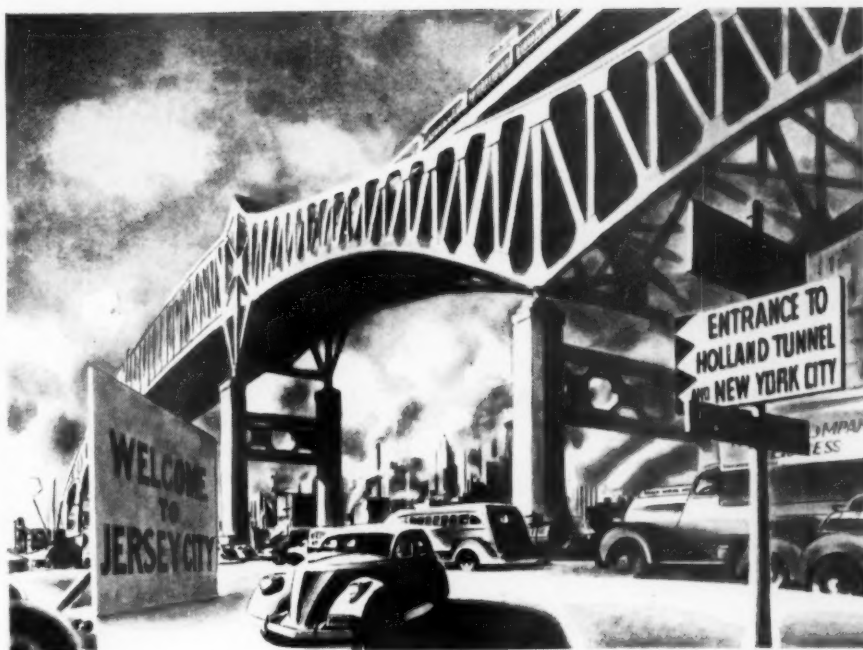
MERLE THORPE
Signature of Editor

Sworn to and subscribed before me this 14th day of Oct., 1937.

WALTER HARTLEY

(Seal)

Notary Public, District of Columbia
(My commission expires Sept. 1, 1942.)



LOCATE *your plant* IN JERSEY CITY

Nine major railroads, modern highways, eleven miles of water front, fifty steamship lines, ferry service, and the Holland vehicular tunnel make Jersey City an economical distribution center for manufacturers selling to the metropolitan market and throughout the world.

Three minutes from down-town Manhattan, Jersey City is located in the heart of the country's No. 1 market. It is also accessible to all raw and partly finished materials and supplies used in manufacturing. It has access to an almost unlimited labor market, and offers manufacturers low rates for all essential services. Taxes are low, because the city has been operating on a pay-as-you-go basis. New Jersey has no state income tax and normally no franchise taxes. Jersey City has a stable and friendly city administration that has been in office for 24 consecutive years.

Business or industry interested in becoming established or resettling in a location offering the greatest number of advantages, are invited to study Jersey City.

For specific information as to what advantages Jersey City offers as a location for your business, write or wire Mayor Frank Hague, City Hall, Jersey City, N. J., for a copy of the booklet entitled, "Jersey City Has Everything for Industry."

JERSEY CITY has Everything FOR INDUSTRY



Federal Showcase

(Continued from page 19)

346 dwelling units on which construction began in February, 1934, and, aside from the Norris Dam staff, the persons who lived in the houses were those who daily motored to and from good jobs in Knoxville. They required good jobs, too, because the rents are comparable with those charged in the city.

Praise and blame

PLANNING still was conversational stuff. The night of October 11, David

E. Lilienthal, a TVA director, was addressing the American City Planning Institute meeting at Norris. But, at almost the same hour, the Norris mayor and town council were lambasting the TVA, assailing it for increasing rentals and adopting a resolution to the effect that its policy tended to "create a company town atmosphere," "imperil employer-employee relationships," and "discourage cooperation in reducing operating expenses of the town."

Norris has its troubles, all right, but they are not resettled ones.

"That sort of thing is out," I was

told. "The scheme just was not practicable."

The town is now a salvaging operation, applying hard-headed methods in an effort to liquidate the cost of a dream which other branches of the Government still cherish.

What happened to the dream? It is enough to say that the attempt to realize it was started under pressure. The Administration wanted action and, due to the fact that engineers could not go ahead with Norris Dam because they did not even know where it should be located, TVA felt it at least could start a construction camp and evolve it into the Norris which the early publicity described.

Training for workers

THE workers were taught blueprinting and drawing, and because TVA Director A. E. Morgan felt that a limiting factor in the use of electricity was an imagined lack of electrical repairmen, training courses for them became of paramount importance.

Then there were the farms—a dairy farm, a beef farm and a general farm with more study courses. Bee and chicken raising also were to become



The dam information house pays a rental to the city to help pay municipal costs

Inside is a soda fountain and a privately operated shop selling mountain craft



The town's life revolves around the school where church is held on Sunday and movies are shown twice a week

major industries. An educational program for women was instituted.

But immediately there were difficulties. Houses to cost \$750 had been planned as fitting the social level of the resettled families; then it was realized that the houses not only could not be constructed so cheaply but that, even if they could the beneficiaries would

YOUR LETTERHEAD IS THE VOICE OF YOUR BUSINESS



WHEN THE TOWN CRIER CALLED . . . the whole town hearkened to his voice. It was lusty. It was loud. It was listened for and listened to, for it was the voice of assurance that all was well, the voice of excitement when there was news to tell, goods to sell. • Business again calls its wares and tells its story—but to millions. One of its most potent voices is its daily correspondence, for in every written communication *paper is the voice*. • How clearly and confidently do you speak with this voice? How well does it represent your business, your product or your service? The difference between a good voice and a poor voice is determined by the paper you use. The best papers are made from rags. They speak with assurance and with that crispness of quality always recognized and always honored.

RAG CONTENT PAPER MANUFACTURERS

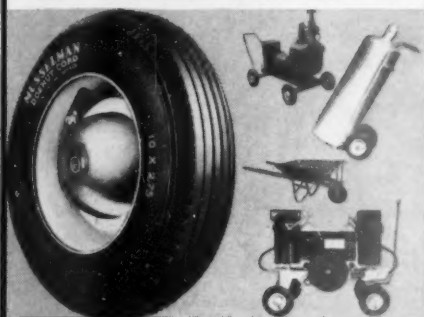
122 East 42nd Street, New York

FINE PAPERS FOR LETTERHEADS, LEDGERS AND INDEX RECORDS

THE BEST PAPERS ARE MADE FROM RAGS

does YOUR product Roll on WHEELS?

IF SO—Get the FACTS on MUSSELMAN DOENUT



The Musselman DOENUT WHEEL is designed and engineered to handle any load up to 225 lbs. per wheel with as much as 50% less effort. Patented low pressure tire construction. Developed by the originator of the air-wheel for airplanes. Single tube cord 10" x 2 3/4". Double-disc cadmium plated steel wheel with adjustable ball bearings and knock-out type axle. Protects floors, reduces merchandise breakage and liquid spillage. Does not sink in sand or soft ground. Guaranteed to have less rolling resistance than any other tire built for similar purposes. Therefore, also enables operator to do more work with less effort. Truly the Tiffany of Tires. Write for specifications and prices.

MUSSELMAN PRODUCTS COMPANY
6307 St. Clair Ave. Cleveland, Ohio

Floodlight HEATING

ELIMINATES THESE TROUBLES OF PLANT HEATING

1. Hot spots and cold spots.
2. Large waste of heat at the roof.
3. High first cost of numerous heaters and extensive piping.
4. Waste of floor space.

Write for details
L. J. WING MFG. CO.
55 Seventh Ave. New York, N. Y.
and everywhere

**WING featherweight
UNIT HEATERS**

be dissatisfied once they had been uplifted. Hence, better homes were planned.

Still, there was an attempt at economy. Admittedly the dwellings are not as pretentious, for example, as the Ickes Subsistence Homesteads or the Resettlement Administration estates. Yet four walls of cinder and cement blocks faced with nothing inside or out but paint, with composition floors, only four tiny rooms, a cement shower stall, without even window weights, without a gutter on the sheet-iron roof, without doors on the closets, without a cellar, with no heating or cooking arrangements other than a coal stove, cost \$3,281, or \$3.28 a square foot, the figure including nothing for land or utilities connections. Other houses cost as much as \$10,170 for five rooms, or \$7.46 a square foot.

Cost of the houses was 20 per cent higher than estimates, but the trouble was not too high standards, because the TVA combined architectural beauty with construction which should have been inexpensive, even if it wasn't. Rather, as the record shows, it was that a quarter of the cost went for "overhead" and "design and technical." Again, TVA admits "savings expected from quantity production and from elimination of private profit were not realized." Moreover, the estimates provided for local prevailing pay for labor but, when it came to construction, the labor was paid a government rate which, for the area, was philanthropic.

Add to this the failure of industries to develop, the planning which did not go beyond pretty generalities, soil unsuited for successful farming, and one has a larger understanding as to why the original Norris was doomed. Even as the uplift regime's construction was getting under way, the administration by July, 1934, had been transferred to J. W. Bradner, Jr., an experienced manager.

He saw the futility of the original plan, his friends say; he ordered curtailments, and he told the resettled folk Norris would not be a Utopia after all. With the completion of the dam in the spring of 1936 they began leaving. By the spring of 1937 they all were gone, and Norris long since had settled down to try to become self-supporting, somehow, anyhow.

"Its policies and practices are bound to set a precedent and perhaps a standard for labor policies and for the U. S. Government and for private industry," TVA Director Lillenthal once told the A. F. of L. "The TVA believes in a policy of high wages . . . that frequently they mean lower costs; in other words, that good wages mean good business."

Business . . . that reminded me.

Why did not TVA bring some business and industry to Norris to help bear costs? The reply was:

It can't afford to. The TVA operates the Norris drug store, the only one within nine miles. Because of tourist trade it does a land office business at prices that are on a level with those of a very high-class neighborhood pharmacy. But its profits are negligible because it must pay TVA wages. Soda fountain workers start at \$105 a month for five and a half days of labor a week with annual leave equivalent to 26 full working days, plus 15 days sick leave. The second year they get \$120. It is difficult to make a business worth while from an investment viewpoint that way, and it just about prevents TVA from putting in any businesses or industries. You see, we run on a cold-blooded basis and have to be able to justify economically any venture we want to start.

Under the circumstances, we will have to look to private enterprise for future development. We have cheap electricity and 85 miles of power lines, 200 to 300 building lots. Our sewers would serve 2,500 families. Our fire department and police force would suffice for a much larger population. We would like private enterprise if for no reason other than to lower our overhead. But more than anything we need a service garage. It would be a gold mine, too, with all the tourists who pass through here.

"Why doesn't private enterprise come in, then?" I asked.

My informant laughed.

No land available for business

"BECAUSE TVA is prohibited from giving any one a land or any other lease which cannot be terminated on 30 days notice. No one wants to invest money in a building and equipment if he feels that, at any time, he may receive a notice to get out within 30 days. He has no security."

That was in July. A few days ago, I asked the question again, and it since had been discovered that, in the event of special presidential approval, possibly TVA might be able to enter into long leases. But there still was trouble.

"How," I was asked, "can TVA advertise lots without arousing private real estate people?"

It is not an easy course which has been laid out for the salvagers. As if their troubles were not already sufficient, the town administration has had to pay a charge equal to 12 1/2 per cent of its pay roll to TVA for "overhead," much in the same fashion that a private utility company may be compelled to pay a "management fee" to its holding company. Every time it calls on TVA to perform a service, Norris again must pay.

Most of Tennessee's state revenue is raised through sales taxes but, being government property, Norris cannot incorporate as a subdivision of the state and obtain the benefits of these taxes in the school and road subsidies other areas receive. Again,

the bill for the school, sewers, roads and land was designed to be borne by a larger population.

Total development costs were \$3,600,000. Teachers must be paid \$1,620 and up, virtually twice the Knoxville minimum. Even by amortizing the houses at from 30 to 50 years as against the 20 years which FHA considers safe, it has been impossible to fix a tax rate of less than \$5.50 a \$100 of actual cost and to lower annual cash expenditures below \$425,000.

These are the circumstances with which TVA has been forced to deal.

In an effort to meet the bill, the town managers started charging TVA the same rent for laboratories and office rooms that it pays in downtown Knoxville. To make more money out of the creamery which was handicapped by the TVA wage scale and obstructed by government ownership from reaching outside the town to compete with private firms, the property was given over to its former manager for \$120 a month. The filling station and grocery were turned over to a cooperative for \$325 a month, though in this case the co-op still has been unable to pay more than \$3,000 it owes TVA for its inventory despite higher than chain store prices and less than the government pay.

It fixed a \$50 rental on the room in which a private organization sells mountain craft. TVA desires to retain the pharmacy because it wants it to be a sort of official host to visitors. For the same reason it wants its restaurant to remain TVA-operated. It is trying to break even by having waitresses work so hard and efficiently that fewer will be needed and their extra labor will offset the 45-cents-an-hour minimum which they must be paid; but continued deficits, despite heavy tourist trade, lead the TVA to doubt that the losses can be overcome and to anticipate that it must rent the business as a concession to someone who can make ends meet by giving lower wages.

Meantime, the residential rental business flourishes at steadily increasing prices. Norris has gone into the real estate business in competition with Knoxville. True, the honest attempt of TVA to build cheaply has made for construction which occasionally is obviously mediocre even if not inexpensive. On close inspection, some of the houses already show the ravages of time. But, as early publicity promised, there is "a sympathetic treatment of the site, abundant open space for children's play and adult recreation, attractiveness in all things big and little, from the iron bracket of the street signpost to the roadway's gentle curve . . . a place designed for pleasant living." Add the fact that the school facilities are

SEYBOLD

• Seybold acceptance in four out of five installations in the paper and printing industries during the past fifty years is now followed by acceptance in many other fields—notably where there is the manufacture or processing of cork, rubber, linoleum, cardboard, celluloid, wall paper, insulating materials, textiles, meat, felt, floor tiling, automotive panel boards and many other products.

The precision-accuracy, speed and economy of Seybold cutting and automatic spacing machines apply to an ever widening range of uses.

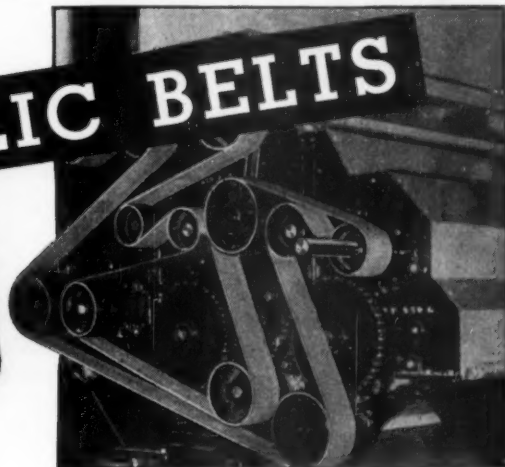
Seybold engineers have a profitable solution for your cutting and trimming problems.

*A Name
preëminent
in all fields of
material cutting
and trimming*

★ Seybold Division • HARRIS • SEYBOLD • POTTER CO.
Dayton, Ohio

REPUBLIC BELTS

MAKE THE
WHEELS OF
INDUSTRY
GO 'ROUND



★ Go into any industrial section of the country and you will see machinery operated with high grade rubber transmission belting of various grades and sizes made by Republic.

Manufacturers and producers everywhere know Republic Belting for its strength, flexibility, friction, low stretch and other important qualities that count for so much in operating economy.

REPUBLIC RUBBER

Manufacturers of HOSE
BELTING • PACKING
MOLDED PRODUCTS



Division OF LEE RUBBER AND
TIRE CORPORATION
YOUNGSTOWN, OHIO

ORDER REPUBLIC RUBBER PRODUCTS FROM YOUR DISTRIBUTOR

Neighborly Gift Combination

of Christian Science Periodicals

The Christian Science Monitor (daily) 2 weeks
Christian Science Sentinel (weekly) 1 issue
The Christian Science Journal (monthly) 1 issue
Christian Science Quarterly 1 issue

\$1

*This may be
just the Gift!*

On your gift list there may be some, perhaps several, friends, relatives or neighbors who would welcome this Neighborly Gift. The two weeks' issues of the Monitor, alone, make a helpful, inspiring reminder of your thoughtfulness. Wisely directed, the others in the combination, with their cheering constructive messages, will bring you as well as the recipient joy and happiness. Make it a gift to yourself, if you wish. This special combination is available only from December 1 to January 31. Orders will be accepted at any time during that period. Be sure to include your name on the coupon below and handsome announcement card will be sent bearing your name as donor.

THE CHRISTIAN SCIENCE PUBLISHING SOCIETY

One, Norway Street
Boston, Massachusetts, U. S. A.

The Christian Science Publishing Society
One, Norway Street, Boston, Massachusetts

Enclosed is \$1.00, for which please send a
"Neighborly Gift" and announcement card to:

Name

Address

Donor's Name

Donor's Address



HOTEL
Lennox
SAINT LOUIS

OVER 50% OF ALL ROOMS \$3.50 OR
LESS. SINGLE, \$3.00 OR LESS. DOUBLE

reported to be far superior to those of nearby cities and you have a real estate development which is more valuable than its construction.

The TVA has made the most of it.

Electric heating, cooking and refrigerating appliances were put in the cinder block houses; the plain painted cinder block walls were lined with pine shiplap and the rents raised 50 per cent, from \$19.50 and \$20.50 to \$30. Better types were priced as high as \$45 and, after the attics were finished, a \$60 top rental was charged.

"This isn't a low-cost housing project," I was told. "The people who come out here to live are able to pay good rents, so we charge them as much as the traffic will bear."

And that is true. As this goes to press TVA is increasing rentals by ten per cent simply because it believes the increasing popularity of Norris as a place for living and schooling plus the Knoxville housing shortage can be made to bear it. It is admitted that the increase cannot be halted by a town council which helps to engender a democratic atmosphere by being allowed to distribute the annual lump sum budget fixed by TVA, by determining how often trash shall be collected and, supposedly, by acting as a "collective bargaining agency" for the residents in rent negotiations. Those who do not like the increase can hire a long-distance van and move 22 miles back to Knoxville on 30 days' notice.

Thus Norris moves forward, away from original objectives yet toward liquidation. As against actually

spending \$100,000 more than it collected in 1935, its first complete year of operation, it cost the Government nothing last year, and this year the officials expect a surplus if you do not take into consideration large cumulative deficits for amortization which, it is hoped, will be properly written off the town books as construction camp development costs chargeable to electric generation. But even if it is impossible to do this, prosperity is at hand.

Visitors help the project

NORRIS Dam and Norris Lake today attract more visitors than any national park. In August alone 136,360 visited the dam and spent an average of eight cents each at the TVA refreshment stand which pays the town a rental, and then in many instances drove to Norris and spent more. More than 4,500 stayed at the town's tourist camp in the course of the year and added to the municipal income.

Thus, the resettlement experiment which was to save submarginal farmers now appears about to be saved by shrewd business and the vacation-going public. It is an unusual episode in which the New Deal is headed toward balancing of its accounts. However, the town, in achieving this success, is a far cry from what it was designed to be when TVA officials publicized it as "a phase of that vast system of regional planning in the Tennessee Valley which is destined to bridge a social and economic gap of almost a hundred years."

Business Must Go On

(Continued from page 78)

to be a great nation? The answer, in part, is to be found in our capacity for self-government.

Self-government consists of two important parts. First, the machinery of government based upon the free and broad exercise of the political rights of the citizen; and, second, of the non-official, but semi-public groups which voluntarily perform many of the most important duties of self-government. No matter what form government assumes, a vast amount of self-government is left to be carried on by non-official groups if we are to be well governed.

Our problem, therefore, is not merely to hang on and hope for better times, but constructively to play so important a part in the self-government of business as to demonstrate that we are far more able than political officeholders to bring about those desirable improvements in busi-

ness which eliminate evil trade practices and do justice to our workers.

I earnestly urge that the chambers of commerce maintain their independence of judgment on every proposal for increased social control or for its permanence. But I also earnestly urge that they be not ignorant or unmindful of the profound changes that have been going on all over the world. When the economic machine ceases to run, social problems are precipitated. The sooner the machine is set in motion, the sooner the pressure of these social problems will be lessened.

Business is greatly hampered, it may be badly impaired before we are through. But business must go on even if haltingly and full of fear. The more business is threatened, the more important it becomes that we serve it wisely or effectively. We cannot serve it wisely or effectively unless we understand the conditions about us. It is

well to examine ourselves to see how realistic has been our diagnosis of these social and political ills, and how practical has been our plan or our operation for meeting them.

Are our members hoping for something which can never return? If so, our first duty in helping business go on as successfully as possible is to put our own thinking and that of our members on a more realistic basis. Let us turn our faces toward what so many hope is a new day and regain a place in the sun for business by sound and liberal leadership.

The second thought which is emerging from the confusion in the minds of business men is that there are still things that are worth fighting for. The business man has been so maligned that he has lost much of the fighting spirit which marked him in the past. He is now inclined to believe that the fight costs too much in personal effort and money. More than that, it may cost him a contract. Worse still, some government agency may punish his company. He needs to look on the battle of 168 days.

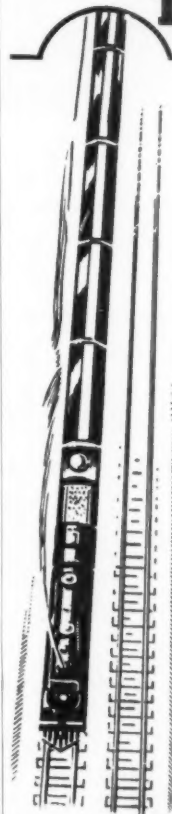
A handful of courageous men, at the risk of their political fortunes, held the fort until the people marshalled their forces to save the Court and the Constitution. Millions said, "It can't be done, they have the votes." But it was done, because men believed in the spirit of democracy.

It is no time for business men or chambers of commerce to sacrifice their principles for a mess of pottage. You cannot condemn extravagance and waste in Washington and condone it for an unnecessary public project in your district. If you are opposed to "government in business" in Buffalo or Cleveland you must, in all conscience, be opposed to it in your community, even though it costs you something to stand by your conviction. If you think the continuation of work relief is unsound and wasteful, don't remain silent because most of the money comes from the state treasury or Washington. What business and the chamber of commerce need are enlightenment and high courage. To regain our place in the sun we must fight for principle and not destroy our influence by being frightened or bought.

If an enlightened spirit, aware of the changed world in which we live, dominates and guides our organizations, if we are willing at personal sacrifice to fight for principles which we believe to be essential to the economic well-being and the safety of the nation, business leaders will arise again who will lead this people out of discord and hatred into cooperation and understanding, and justice shall prevail throughout the land.



We Will Deliver Your Product To 43,000,000 Consumers

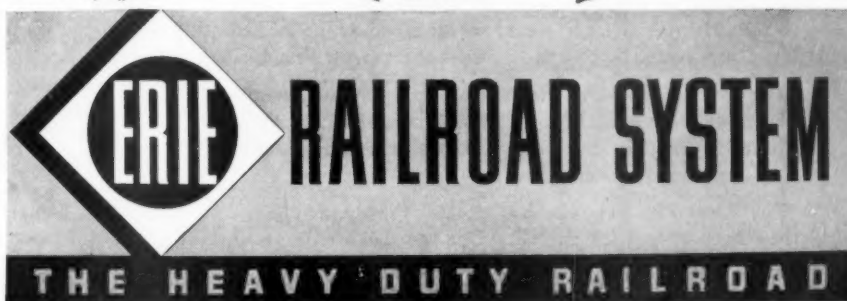


● If you ship from the West, Northwest, South or Southwest you'll find Erie the gateway to profitable Eastern markets. If you manufacture in the East you'll find the Erie the best route between your plant and 43,000,000 people living in the vast Erie Empire.

There are 10,000,000 families within 60 miles of Erie tracks. Hundreds of thousands of manufacturing plants and retail outlets. Erie serves this territory with heavy-duty, high-speed rail service—and fast, efficient pick-up and delivery service.

You can save both time and money if you route your shipments via Erie.

*Travel
the Scenic Erie*
... between New York, Binghamton,
Elmira, Buffalo, Chautauqua Lake,
Youngstown, Cleveland, Akron, Chicago
AIR-CONDITIONED TRAINS
EXCELLENT MEALS • FINEST
SERVICE • LOWEST FARES



That's where Chambers of Commerce come from



*If you are interested
in a special pamphlet
on this subject, write
NATION'S BUSINESS.
No obligation.*

THE boys are in a huddle. Should they shoot the ball through tackle or around left end? They're working it out—together. Even as kids men learn the value of *teamwork*.

Jump the scene twenty-five years. Shift from football field to conference room. Another huddle—a Chamber of Commerce meeting. Teamwork again! Teamwork to make your town a happier, healthier, wealthier place in which to live.

"What about that new bond issue for our public schools? The committee has reported . . . the question must be settled . . . let's get going!"

"The children of this town—our future citizens—plan to move away just as soon as they gain their education and independence. These are their formative years. Their opportunity to succeed is right here. Let's show them! Hit that line!"

"Commodity rates change on our railroad at a zone twelve miles from here. Our farmers are selling their products in the next town, giving its merchants their trade. Those rates must be adjusted. Let's fight for a place on an air line, too!"

"The Substantial Mfg. Co. is considering a new assembly plant. Maybe we can bring it here. More jobs. Big payroll. Money to be spent. Everyone will benefit. Form a committee . . . get into action . . . let's go!"

"The Alert Products Co. has a water supply problem . . . they need help with the City Council. Let's enlarge our program to cooperate with our factories . . . help them expand. Figure out a play. Altogether now!"

"What is the Slick Sales Co., and don't those ads of theirs look fishy? Investigate; can't let the public be gypped . . ."

"Smith of the glass company wants to know if we have any data on workman's group insurance . . ."

And so it goes . . . day after day . . . problem after problem . . . in Chamber of Commerce conferences in towns and cities from coast to coast, 2000 Chambers and 1500 Trade Associations carry on the work of getting things done for the benefit of their businesses, their employees, their communities and the whole vast public at large . . . *Teamwork does it!*

WHAT HELPS BUSINESS HELPS YOU!



This advertisement is published by

NATION'S BUSINESS

It is the fourth of a series appearing in *The Saturday Evening Post* and other publications. (The third appears on page 89.) They are designed to encourage straight thinking about business and a better understanding of its relations with government.

If the message interests you, we are prepared to supply, upon request, copies in poster size for bulletin boards, and in leaflet form for distribution. Mats for newspaper use and electros for house organs are available.

Write NATION'S BUSINESS, WASHINGTON, D. C.

The New Senate Prosecutors

(Continued from page 17)

Lobby Committee because there seems to be no limit to its field. There is hardly an activity touching upon our national political life which the term "lobbying" can't be stretched to cover. Aside from the wages and hours fight—which is bound to be controversial at the next session—and the Supreme Court, other issues will undoubtedly develop. It is wholly probable that the power companies will come in for another raking over the coals because the plan to establish several other TVA's will be up.

Hugo Black gave a new twist to Senate investigations in that he made his Lobby Committee a vehicle to press through controversial legislation. Senator Tom Walsh was, of course, investigating a scandal that had occurred in a previous administration and the theory upon which he operated was that the Senate was looking for facts with a view to passing remedial legislation. This is the theory of all congressional investigations.

Seeking sinister motives

OBVIOUSLY, however, Black's purpose was not this. His activities had nothing to do with the merits of particular legislation. They ran along side by side with the consideration of legislation already drawn up in tentative form, and were designed to reveal the opponents, their motives and what they were doing by way of opposition.

The Lobby Committee will continue in this service. So, inasmuch as any number of business men will be meeting Senator Minton and his associate on the committee, Senator Lewis B. Schwollenbach, of Washington, this winter, I should like to present them now.

Ordinarily, a committee investigation is the ability, energy and personality of the chairman. This man dominates the proceedings, more often than not, is the only one to take any interest in the work. The investigation was likely his idea in the first place. So it was that Black was the Lobby Committee. The four other members, including the two Republicans, gave way to him. But Schwollenbach will undoubtedly come to the front in this winter's functioning of the committee. He will be a kind of co-chairman. He and Minton will dominate it.

They were both understudies of Black. They admired his prosecuting ability and his methods and will undoubtedly seek to follow them close-

ly. Whether they will succeed remains to be seen. Both are newcomers to the Senate and their friends look upon the committee as a great opportunity for them.

Minton is frequently mentioned for the next vacancy on the Supreme Court. He was widely reputed to have been one of the last three names considered by the President for the vacancy which Black got.

He was born in Georgetown, Ind., October 20, 1890, and was reared in New Albany. He got his LL.B. from Indiana University and his LL.M. from Yale. After practicing but a short while in his home town he went off to Florida where he joined the Miami firm of Shutts and Bowen. He returned to Indiana only a few years before the Democratic overturn of 1932 and joined the firm of Weathers and Stotsenburg, of New Albany, known throughout the state.

Since he had been back in the state such a short while, his candidacy for the Senate in 1934 came as a general surprise. He was not widely known but he had become closely identified with the democratic governor, Paul V. McNutt. He was nominated with McNutt's backing and, in the ensuing election, he was swept into office with the democratic tide. He still considers himself a member of the McNutt organization. He gladly accepts the description "McNutt's Senator in Washington."

In the bitter cross currents and factionalism that have developed in the Senate since last November he has come to the front of Administration ranks unusually fast. He was, in fact, offered the Senate assistant democratic leadership after the death of Senator Joe Robinson and is now looked upon as one of the Administration's most capable men. Undoubtedly he would not have progressed so rapidly had not the Administration ranks split in two with the newcomers forming the bulwark of the Administration strength.

He is attractive, heavy set—he won his letter at Indiana in both football and basketball—a total abstainer from both tobacco and alcohol. Both Vice President Jack Garner and the late Joe Robinson liked him. In his social contacts he has an agreeable charm and he showed a willingness from the outset to take on some of the harder and meaner chores for the Administration forces which the elder senators wanted to shun.

In his campaign in Indiana he had taken a stand against the payment of the soldiers' bonus, considered, under the circumstances, a politically cour-

Three Speed-Feed Operations Save 50% in Writing Forms

1—Insert forms and bring to writing position. Complete typing of forms.



2—Release typewriter platen. Carbons are automatically removed from written forms and interleaved in succeeding set of forms.



3—Turn forward and detach typed set of forms. The next set accurately aligned, with carbons interleaved, is ready for typing.

That's all there is to speed-writing with the Egray Speed-Feed and Egray continuous forms. Carbons automatically inserted and removed... all the operator's time is productive... daily output of typed forms increased 50% or more. Attached or detached instantly, the Speed-Feed puts dual performance in every typewriter...

a billing machine one minute, correspondence machine the next, without change in typewriter construction or operation. Costs less than 2c per day for only one year, yet saves \$7 or more per thousand sets of forms. Details on request. Demonstrations arranged without obligation.



EGRY SPEED-FEED

THE EGRAY REGISTER CO., Dayton, O. NB-1237 Please send information on the Speed-Feed and how it fits into our business.

Name..... Business..... Address..... City..... State.....

Sales agencies in principal cities

**"YOUR LETTERHEAD
IS THE
VOICE
OF YOUR BUSINESS"**

The better the paper, the better the voice that carries your words. The best papers are made from rags and Crane's Fine Papers for business and executive use are made from rags and rags alone. They speak for you with the utmost confidence and distinction.

Crane's
FINE PAPERS
MADE IN DALTON, MASSACHUSETTS
SINCE 1801

**There's Trade —
and Travel Joy
in —
SOUTH
AFRICA**

• South Africa is prosperous. Its people are enterprising and progressive. They are interested in American goods and buy liberally from us. It is a splendid country to visit from the standpoint of trade.

And South Africa also offers a rare chance to combine business with a never-to-be-forgotten vacation for the entire family,—an ideal climate, world-famous resorts, golf, tennis and superb bathing beaches, cosmopolitan cities, and—within comfortable traveling distance—the thousand wonders of the interior: big game reserves, native Zulu villages, Victoria Falls and many other travel thrills.

There will be profit and pleasure for you in a trip to the attractive sub-continent of

SOUTH AFRICA

Detailed information from all leading tourist and travel agencies

ageous thing to do. Yet, when the bonus finally came up, he took the position that conditions had changed, we had been spending billions on other things and, anyway, the bonus bill was sure to pass. So he voted for it and voted to override the President's veto. He also voted to override the veto on the measure to continue the low interest rates to farmers. These are the only instances when he has not publicly seen eye to eye with the President and they are not taken in political circles as meaning disagreement. Such votes are understood both on Capitol Hill and at the White House.

An administration supporter

NOTWITHSTANDING his conservative background, his association with two large law firms enjoying extensive corporation practice, his whole upbringing, he made it clear shortly after his arrival in Washington that he was casting his lot with the New Deal. Before his name began to figure in Supreme Court discussions he had conceived his course to be loyal Administration support in the Senate and an eventual retirement to the security of a federal judgeship. He could have had such an appointment a year ago, but Garner and others persuaded him to remain in the Senate.

He is wholly unlike Black and, although he would like to be very much like Black as Senate prosecutor the similarity is not likely to be great. He has not the cunning that Black displayed when he would toy mysteriously with a letter before him and then ask a hapless witness if he had talked with So-and-So within the past two weeks. Nine times out of ten Black would be stabbing in the dark but he had a way of giving the witness the impression he knew a skeleton in his past. Minton will not be very effective in this way.

Nevertheless he made a good reputation in his first political job. Just before he came to the Senate, McNutt appointed him consumers' counsel of the Indiana Public Service Commission. His efficiency in beating down utility rates attracted attention outside the state. Unlike Black he probably will not sit up nights figuring out ways to trap witnesses. His tendency will be to pursue his ends more openly. Black used to study the newspaper society columns to see who was entertaining whom. Minton will hardly be this enterprising.

He is a sensitive man and has little taste for the roughness of political debate when it is really rough and no quarter is asked. As a debater he can handle himself about as well as anyone in the chamber and, when pushed

forward for some of the rough work in the Senate fights of the past session, he was able to hold his own but the bitter exchanges frequently made him wince.

He came to the front as one of the Administration's aces in the Supreme Court fight. An example of how hard he can hit may be gleaned from his remarks about Chief Justice Charles Evans Hughes and Justice Owen D. Roberts.

"What is there that is sacred about these venerable gentlemen across the way who now occupy the Supreme bench?" he asked the Senate, charging Mr. Hughes with "political machinations."

"Oh, no, he is not a cheap politician," Minton thundered. "He is a high grade one, and a very good one."

Then asserting that Justice Roberts had reversed himself, he asked:

"Why did he do it? I think he was listening to the siren voice of the political chief justice of the Supreme Court."

Yet he noticeably winced when after he had explained he had received a flood of letters and telegrams against his position on the Court bill but had checked up and found they were Republicans, Senator Burke of Nebraska asked him if he had checked on the political affiliations of General Arthur St. Clair.

The General, a Revolutionary War hero and dead these many years, had been a source of considerable embarrassment to Minton several weeks before. The General Arthur St. Clair chapter of the Daughters of the American Revolution in Indianapolis had written him protesting his position. The letter that went back from Minton's office with his signature and explaining his position read, "My dear General." It gave the Indians no end of amusement.

Minton complained privately to Burke over the injection of this incident because, as he explained it, an Indianapolis newspaper man was sitting right there in the gallery.

His meticulousness in things political is evidenced in the course of the Lobby Committee hearings in 1934-35. Along with other senators, he had voted against the project to extend a canal across the northern end of Florida. Grateful townspeople of Sanford, Fla., sent these senators a crate of celery each. Minton promptly returned his crate with the explanation that he did not take gifts for his vote.

He has frequently taken the Senate floor to describe as malicious propaganda the criticism of the Lobby Committee for the so-called seizure of private telegrams in early 1936, but in each instance has studiously avoided explaining how the commit-

tee did get the telegrams. What it did was to arrange for the Federal Wire Communications Commission to seize them and the committee's agents then had access to them.

Before the President sprang his Supreme Court bill last February, Minton had pending a bill by which it would have taken a seven to two vote of the Supreme Court to declare an act of Congress invalid. A few weeks before Mr. Roosevelt projected his plan of Court reform, Minton went to see him about his own plan and, upon leaving the White House, announced that Mr. Roosevelt planned to call a conference shortly on what should be done about the Supreme Court.

This was the first definite inkling that the President was thinking of doing anything. It caused the White House considerable embarrassment. Minton's statement was repudiated. This is the only time he has ever given the White House the slightest worry.

Breaking a filibuster

HE FIRST made himself felt in the Senate when, soon after his arrival, he called together a group of his colleagues who had also just come to the Senate for joint action toward breaking a Huey Long filibuster. They worked out the strategy of keeping Huey on his feet without even so much as an interruption by a friendly questioner. The filibuster was broken at three o'clock in the morning.

When he was a youngster his younger brother could not pronounce "Sherman." He called the senator "Shay." This name has stuck to him.

If he were asked to analyze himself he would probably take this paragraph from his campaign poster:

Sherman Minton's character and vision hold appeal to the Young Voter, likewise to both the Progressive and Conservative elements of our citizenship. Conservatives know his principles are soundly founded. Progressives know he has foresight and stands for justice.

There could hardly be two more contrasting personalities than Minton and Schwellenbach, yet Minton, Schwellenbach and Black were like the Three Musketeers, Black, older in years and service, the leader, with Schwellenbach and Minton devoted followers.

Schwellenbach has many of Black's characteristics. He will be more likely to carry on the Black traditions, so to speak. He will get more enjoyment out of the work, have less fear of the consequences. In fact, under Black's chairmanship, he took over the conduct of the committee hearings on one occasion and haled sever-



AS LIKE AS TWO PEAS, BUT— *One's a Stradivarius*

Any violin maker could easily duplicate a Stradivarius in appearance, but to duplicate the rich, melodious tone would require the skill of Stradivarius himself.

Likewise, a rope could easily be made to look like "Flex-Set" Preformed Yellow Strand, yet our 61 years' experience making nothing but wire rope give to "Flex-Set" Preformed Yellow Strand distinctive qualities that would be difficult to duplicate. These qualities are as invisible as those of a Stradivarius; but manifest themselves in the long, economical life of the rope.

The wire is of exceptional quality, drawn to our own exacting specifications. By the new preforming process, wires and strands are shaped to a permanently helical form before going into the rope.

Properties are thus produced that cannot be duplicated by the old standard method of manufacture. The rope becomes limp; easy to handle and install. It works freely on drums and sheaves; is highly resistant to drum crushing and metal fatigue.

Longer life is the inevitable result in road building, general construction, logging, mining, rotary drilling, plant operation.

For economy, make your wire rope specifications read: "Flex-Set" Preformed Yellow Strand.

BRODERICK & BASCOM ROPE CO., St. Louis

Branches: New York, Chicago, Seattle, Portland, Houston. Factories: St. Louis, Seattle, Peoria.
Manufacturers of all grades and constructions of wire rope, preformed and regular, for every purpose

V38

"FLEX-SET" PREFORMED YELLOW STRAND



AIR EXPRESS...
for Christmas
RUSH shipping

Low cost. Real economy. Super-speed. 2500 miles overnight—and there in the morning. Direct service to 220 cities and all points between, in the United States and Canada. Direct to Latin-America, Honolulu, the Far East. For information, phone any RAILWAY EXPRESS office—say, "AIR EXPRESS DIVISION."

AIR EXPRESS
RAILWAY EXPRESS AGENCY, INC.

You can get a
BINDER
for Your copies of
Nation's Business
for only \$1

AS a convenience to those of our readers who desire an inexpensive way to bind their copies of **NATION'S BUSINESS**, we will supply a Permo Binder of simulated leather for \$1.

This binder is a good one. It is strong, practical and simple to use. No punching or marring of the magazine is necessary. A click and the copy is in. Any issue can be removed without disturbing the other copies. Each binder holds twelve issues.

Send your order today to

NATION'S BUSINESS
WASHINGTON, D. C.

al Pacific Northwest members of the House before him to explain their association with a well known citizen of their section who had been associated at one time or another with the railroads and power interests. Schwellenbach, at the time, was opposed to the Pettingill long and short haul bill which has been before Congress for years. He wanted to put some of the supporters of the bill on the spot and he did. It was another example of how the committee can be used to head off or force the passage of legislation.

Schwellenbach, another of the 1934 crop of New Dealers and, like them, committed to 100 per cent support of the Administration, has attracted more attention in the Senate through his denunciation of "Economic Royalists" than by his legislative efforts. He might be described as the New Deal's chief denouncer in the Senate. Unlike Minton he does not care how hard you hit back. He revels in the fight and in bitterness and acrimony he has no worries about coming out second best.

On the eve of the famous Liberty League in the winter of 1936 he was selected by the Democratic National Committee to "smear" its backers. This passage is characteristic of the attack:

I do not make this charge but I make the very definite suggestion of the possibility that the du Ponts, knowing that there may be conditions existing in Europe which they would desire to cause us to be involved in a war in order that they might get back to their old time war profit basis again, might be handing out a lot of literature now to the American people which would be attractive to them, so when that time came the American people would accept the propaganda of the du Pont interests.

It is one of the most novel explanations ever given of the Liberty League's purpose.

With senatorial immunity

ON ANOTHER occasion in the Senate he called the du Ponts and John J. Raskob "crooks and parasites."

In March, 1936, he devoted two days in the Senate to the "expose" of William Randolph Hearst in which he began with the publisher's entry into the New York publishing field and step by step followed him through his career. Several weeks later the Hearst papers came back with a series of articles entitled "Lewis, the Laundryman." These articles dealt with the alleged manipulations of the Superior Service Laundries, Inc., of Seattle, of which Schwellenbach was president.

Schwellenbach calmly came back with the explanation that the whole business had been thrashed out in his senatorial campaign and then he put

in the *Congressional Record* a series of editorials from Hearst's *Post-Intelligencer* to show that it had supported him in his gubernatorial aspirations in 1932. He was unsuccessful but two years later he did come to the Senate.

Of German parentage, he was born in Superior, Wis., September 20, 1894. His parents soon moved to the state of Washington where Schwellenbach, after attending the public schools, was graduated from the University of Washington. At the university his ability as a debater and his flair for politics attracted attention. He organized a Woodrow Wilson Club among the students. The World War absorbed him about the time he got out of the university. After peace was declared he hung out his shingle in Seattle and became active in the American Legion, subsequently becoming state commander. He never had what might be described as a highly successful law practice. He made a living out of it and helped support his mother who is still living.

After his unsuccessful gubernatorial campaign in 1932 the Democratic governor appointed him president of the university board of regents. It was from this position that he entered the senatorial campaign of 1934. Since coming to the Senate he has married the office manager of his senatorial campaign.

On February 19, 1936, he addressed a group of business men at the Shrine Club in Philadelphia. He said:

I am not one who holds the theory that the business men are in themselves public enemies who should as a group be condemned in the discussion of political problems.

My criticism of American business is its inconsistency. It is constantly asking for governmental assistance, either financial or in the form of legislation which will assist the particular branch or industry in which the particular proponent of the particular legislation may be interested. At the same time American business is constantly criticizing the financial policy of the Government and the regulatory acts adopted by the Government.

He told of an occasion when a business man had come to him protesting against a particular piece of proposed legislation, insisting that it would cost him so much that he would have to go out of business. Schwellenbach said he asked the man how much salary the head of the business received. When he learned it was \$250,000 a year, he refused to hear the objection.

He told of a group of business men from his state who were demanding that the budget be balanced but who, at the same time, pressed for the allocation of \$400,000,000 federal funds for a project in their community. This ought to give you a fair picture of the senator's mental attitude.

A Referendum on Flood Control

FOR MANY years the United States Chamber of Commerce has advocated flood control measures; set forth principles intended to prevent waste of natural resources; and recommended principles that might be followed in regard to development of inland waterways, water-power resources and development of a national forestry policy.

When bills were introduced in Congress which contemplated a new departure for the federal Government in its activities relating to natural resources, through the setting up of seven federal region authorities throughout the country, the Board of Directors of the Chamber requested that these bills should be studied by a special committee giving particular attention to the relations of the new bills to flood control.

The results of the Committee's study have been placed before the Chambers membership in the form of Referendum Number 72. In addition to the text of the committee report, the referendum pamphlet carries arguments in the negative, that members may have the fullest information upon which to base their judgment in voting.

Three specific recommendations will be voted upon:

1. The Flood Control Act of 1936 should be continued and the projects thereunder prosecuted with vigor through the Army Engineers.

2. The federal Government should continue to utilize directly its regularly established agencies operating on a national basis to plan, coordinate, and execute activities belonging to the federal government in relation to natural resources, including water resources, their utilization, and their control.

3. The federal Government should in activities belonging to it in relation to natural resources proceed in cooperation with the states and preserve to the states all rights belonging to them in their resources.

In support of its recommendations, the committee declares the bills, if enacted, would delay and impair the execution of needed flood control work:

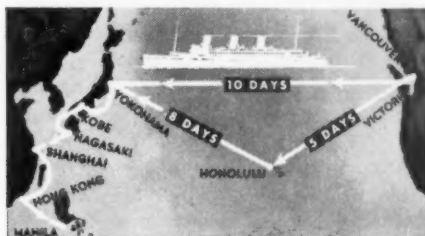
The transfer of flood control to seven regional authorities would be unwise because of the lost time in familiarizing new agencies not only with flood-control problems, but with all the many undertakings they would be required to consider and coordinate with flood control. It would be much like changing horses in the middle of a stream. The War Department has flood control well in hand. For many years it has been one of the prescribed duties of the Secretary of War to regulate navigable waters of the United States in the public interest and for the protection of life and property.

10 days to the ORIENT!



Japanese girl with lantern

Speed over the Pacific in the luxury of the record-holding *Empress* liners. Only 3 more days with stop in Hawaii. Connect at Honolulu from California ports.



Canadian Pacific

For rates and sailings, see YOUR TRAVEL AGENT or Canadian Pacific:
New York, Chicago, San Francisco, 38 other cities in U. S. and Canada.

NOW The Halvorfold PATENTED LOOSE-LEAF PASS CASE, BILLFOLD and CARD CASE

LIFETIME SERVICE Guarantee!
Your Halvorfold is repaired and serviced for life FREE!

AT WHOLESALE

Name in 23K Gold FREE!
Street Number, City, and Fraternal Emblem, 25c each extra.

~~\$3.00~~
\$1.95
Postpaid

Patented Loose-Leaf Device "Talon" Zipper

Two Million Men Can't Be Wrong!

Just What Every Man Needs—No embarrassing moments fumbling for your passes. Bring order out of chaos—just snap open your HALVORFOLD and they all show, each under transparent celluloid face protected from dirt and wear. Ingenious patented loose-leaf device enables you to show 4, 8 or more passes, membership cards, photos, etc. Also has flap-closed pocket, and stamp or memo pocket. Tough, durable and beautiful. No flimsy cloth lining. Size just right for hip pocket. Backbone of loose-leaf device prevents breaking down. You simply can't wear out your HALVORFOLD.

A New Thrill Is In Store For Men who either use an old style original HALVORFOLD or who haven't yet started to use a new one. This latest 1938 model—zipper closed—Genuine Brown Steerhide HALVORFOLD passcase, gloriously color-embossed with Good Luck Ship O'Dreams design, is a revelation in workmanship and price. Buy it wholesale from us.

Wholesale Catalog—showing hundreds of exquisite gifts of Genuine Leather in natural colors—passcases, key, cigarette, and letter cases, superb ladies' handbags, men's and women's dressing cases, zipper brief cases, belts, and many novelties—gladly sent on request.

SIZE CLOSED
3 1/2 x 4 1/2
4-Pass Capacity

Also Supplied In 8 or More Pass Capacity at Small Additional Cost!

Leather Crafters Guild, Dept. A-303, Mdse. Mart, Chicago, Ill.

VORFOLD passcase and billfold. I enclose \$1.95. (8-pass capacity, \$2.15; 12-pass, \$2.25.) I understand that if I am not 100% satisfied my money will be refunded.

23K Gold Engraved Name (Free)
Street No. and City (25c Extra)

SPECIAL OFFER for 12: Most everybody wants more than one HALVORFOLD. Here's what we will do for 12: Special Gift for you of Genuine Black Cowhide Secret Money Pocket Belt—a new, sensational, patented item. Give size.

SPECIAL OFFER for 24: And here's what we do for a 2-dozen order—Two Special Gifts for you—Genuine Black Cowhide Belt, as mentioned opposite, besides Genuine Black Cowhide Zipper Keycase.

Fraternal Emblem (25c Extra)

Ship to.....

Address.....

☐ Check here if you want our large catalog of hundreds of beautiful leather gifts in natural colors.

Industry's Yardstick Town

(Continued from page 20)

or even an entire type of industry went to the wall, the city would not go with it. But at the same time the industries were to be coordinated so that one could obtain part of its sustenance from the other for mutual advantage. There was to be non-political, honest government and improved working and living conditions, not for altruistic reasons but on the theory that they would be good for the industries.

Planning a town

THE idea was not born in altruism either. It was born because, in acquiring control to complete the sickly Clinchfield Route railroad, John B. Dennis, of the financial house of Blair and Company, and his local associates found themselves owners of 6,000 acres which had to be put to use. Development of a city was agreed upon simply because it would create railroad traffic.

In 1917, two years after the little band of mountaineers had watched the first train go over the completed road, the area was incorporated as a city, a model city charter had been drawn by the Rockefeller Foundation, and vacant fields had been plotted out by the noted town planner, Dr. John Nolen, for a city which eventually should shelter 50,000 souls. To see that the plan was carried out, the land was turned over to the Kingsport Improvement Corporation, under the direction of J. Fred Johnson, a relative of one of Mr. Dennis' local associates.

The results begin with the industries, since whatever the town is, these

industries are responsible. The pattern starts with the Tennessee Eastman Corporation, a branch of the Kodak family, employing 4,000 persons in the manufacture of wood alcohol, lumber, charcoal, methanol, acetate yarns, cellulose acetate for camera films, plastics, hydroquinone, fertilizer.

The Eastman acetate yarns may find a market at one of the town's three hosiery mills. If it has a surplus of the wood which goes into the manufacture of its products, this may find a local market at the Mead Corporation, which daily manufactures 72 tons of paper and a hundred tons of pulp. The paper company in turn sells much of its output to the Kingsport Press, which calls itself the world's largest book manufacturing plant. The Kingsport Press then re-sells paper scraps to Mead.

Then there is the Borden Mills, a child of the American Printing Company, of Fall River, Mass. The plant employs nearly a thousand persons in manufacturing 900,000 yards of cotton cloth a week. Part of this may be

purchased by the Holliston Mills of Tennessee, processors of book cloth, and manufacturers of window shades and labels. Holliston products may be used by the Kingsport Press.

A variety of industry

MACHINE forgings for the mills come from the Kingsport Foundry and Manufacturing Company; the Slip-Not Belting Corporation supplies the machine belts. If a new mill is built it means business for the Blue Ridge Glass Corporation which is a corporate offspring of the Corning Glass Works of Corning, N. Y., and of two great European concerns, for the Pennsylvania-Dixie Cement Corporation with its annual capacity of 1,500,000 barrels, for the General Shale Products Corporation which turns out 135,000 bricks a day.

There are others in the Kingsport family—two dairy products processors, the Southern Oxygen Company. They keep the Mason & Dixon Lines, a motor freighting company, and its 90 trucks busy hauling manufactured



One of the real estate developments promoted by the industries to provide attractive homes for workers



Citizens tired of the movies find 12,000 volumes waiting for them in the city library

Burroughs

DESK BOOKKEEPING MACHINE

**New
-
Low in
Price**



FOR PAYROLL AND SOCIAL SECURITY RECORDS

At one writing, this new low-priced Burroughs Desk Bookkeeping Machine produces pay check (or pay envelope), employee's statement and a record of the employee's earnings and deductions.

FOR BOOKKEEPING

Because it writes dates, adds debits, subtracts credits and extends the new balance, this modern Burroughs posts any ledgers, writes monthly statements, and handles all miscellaneous figure-work inexpensively.

FOR ADDING AND SUBTRACTING

The famous Burroughs Short-Cut Keyboard provides the fastest method for listing, adding and subtracting amounts. Subtraction is as fast and easy as addition.

Large concerns find that certain accounting jobs in different departments can now be mechanized at extremely low cost with this new Burroughs.

Small concerns find that it gives them the advantages of complete machine record-keeping with a minimum investment.

Let the Burroughs representative show you, in your own office and on your own work, what these savings can actually mean to you. Telephone the local Burroughs office, or mail the coupon for free, descriptive folder.

MAIL THIS COUPON!

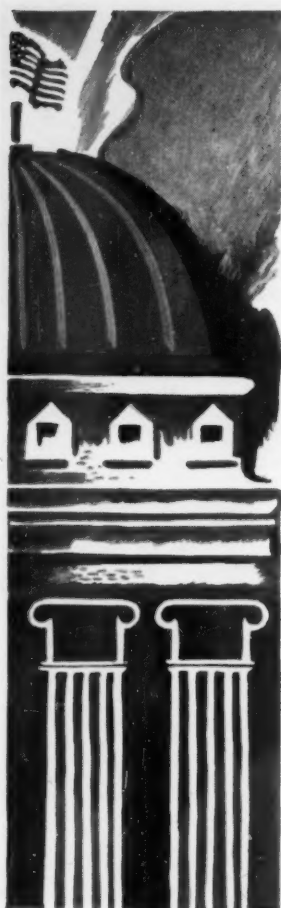
Burroughs Adding Machine Company
6002 Second Blvd., Detroit, Mich.

Send me your folder describing the new Burroughs Desk Bookkeeping Machine.

Name _____

Street _____

City _____



One of a Series, "A Five-Year Record"

TAXES INCREASE 67% IN 5½ YEARS

AN INCREASE of 67% in taxes on companies in the Associated System was recorded between 1932 and June 1937. In the 12 months ended June 30, 1937 alone the increase over the previous similar period was 22%.

In one large company, taxes exceed the total electric revenue from residential customers for all types of service in the home.

More than 40 different kinds of taxes are levied upon companies in the Associated System. There are in addition many fees, duties, and levies paid to regulatory bodies.

The contribution to the cost of government which Associated companies have been asked to make has increased rapidly in recent years, as the following table shows:

1932	\$10,125,000
1933	11,131,000
1934	12,938,000
1935	13,750,000
1936	15,135,000
1937*	16,965,000

*12 months ended June

ASSOCIATED GAS & ELECTRIC SYSTEM

Kimpak
CREPE WADDING
Protects America's
"Best Sellers"
against shipping
damage

ZENITH RADIO... a BEST SELLER protected by KIMPAK

When shipped or stored, the fine finish and delicate woods of this beautiful \$750.00 twenty-five-tube Zenith Stratosphere Radio are protected by KIMPAK Crepe Wadding.

...

• You can be sure your product will reach the dealers' showrooms in first class condition when you protect your shipment with KIMPAK Crepe Wadding. And first class condition means quicker sales and more profits for you. . . . You'll find a size and thickness of KIMPAK to protect your type

of merchandise. This economical modern crepe wadding is clean, light, absorbent, flexible, and as easy to use as a piece of string. Learn how KIMPAK can solve your shipping problems, just write us for free portfolio of samples. Please address nearest office on your letterhead.

KIMBERLY-CLARK CORPORATION, Neenah, Wisconsin

Sales Offices: 8 S. Michigan Ave., Chicago; 122 E. 42nd St., New York City; 510 W. 6th St., Los Angeles



products on schedule as far as New York to the north and Atlanta to the south. More trucks would be needed except that the city is choosy about the industries it will allow to set up shop.

Mr. Johnson and the Kingsport Improvement Company brought those industries to the city and, whether it was in the bargain or not, Mr. Johnson and the business-industrial interests direct the town. When a mayor is to be elected, for instance, they select one of their number as the candidate, pass the word around and all together they go to the polls and elect him. They do not elect him as a Republican or Democrat, but simply as Tim Jones or Pete Smith.

"How are you able to get away with that?" I asked bluntly.

"Simply because we have no partisan politics or professional politicians, because we want to manage our own affairs and the city is small enough that we can," my informant replied. "As the biggest taxpayers, we naturally pay more attention to the government to see how our taxes are spent. Because we give it this added attention, we are able to advise our people. That is how we achieve leadership. But there are so many of us that, if any person or group attempted to exert influence for personal benefit, the rest would stop it. Compelled to cooperate, then, we can cooperate only for those things which mean the most to the majority of us—economical, honest government and a contented employee-citizenry."

"Let's be practical," I interjected. "What sort of pressure do you apply to prevail upon your employees to follow you?"

"None at all," he answered. "The best proof lies in the fact that, whenever a big local issue is to be decided, all the citizens are invited to decide it at a town meeting by their votes."

"If you want more, say that all summer the CIO tried to get a foothold in Kingsport, but could not get to first base. No impediment was put in their way although the mayor is an official of our big cotton mill which the CIO has tried to organize. If you don't want to say our attitude has been unusual in an industry-dominated city, simply say that no other attitude has been necessary. We are loyal to our workers; they are loyal to us."

How successful is such a city government? What do the people get from it? Why are employees so loyal? To answer one question is to throw light on the next.

Take the city government. In this day when deficits are made to appear as patriotic measures, the city of Kingsport can boast a surplus of

\$250,000 over all sinking funds and debt charges. Last year it spent \$17,000 less than its budget called for. When a new mayor is elected he merely shakes hands with his predecessor and tells the city manager and other municipal employees who have served since the founding of the city to carry on. And this in spite of the fact that no civil service law protects their permanency.

To say that Kingsport is totally an industrial city does not mean it is a grimy place. It is a place to live comfortably a full life so that one may enjoy work. For \$24 a year, your Kingsport resident can belong to the splendidly housed country club. If he grows tired of the two movie shows which present later films than are available in Knoxville, he has a public library of 12,000 volumes.

Whereas a few years ago the school system consisted of a single teacher and 32 pupils, the Kingsport parents today send their 3,000 children to seven ultra-modern brick buildings which cost about \$1,000,000 and there they are taught by teachers from more than 20 universities.

Unified building plan

EVERYWHERE, as he drives through the city, the resident is made conscious of the fact that his is a planned city. Because it is the plan, the schools reflect the influence of old Georgian architects, and each possesses at least a four-and-a-half-acre park. And where there are no schools, sites are in reserve. Two years ago red brick and Georgian architecture were blended into the construction of a \$300,000 hospital on a site which had been reserved for that purpose since the founding of the city.

The resident pays his electricity bill in another Georgian building of non-commercial appearance because this building, located on Civic Circle at the head of the main, park-centered street, is part of the city plan. At the other end of the block is a similarly designed post office. Ultimately, these buildings will become the wings of a new public library building. Elsewhere on the circle the resident may worship in a Georgian church because the improvement company so wanted that type of structure that it donated the land. And if he wants to impress his best girl, he can set her up to luncheon for 60 cents in a Georgian inn where the environment is that of a swanky resort hotel.

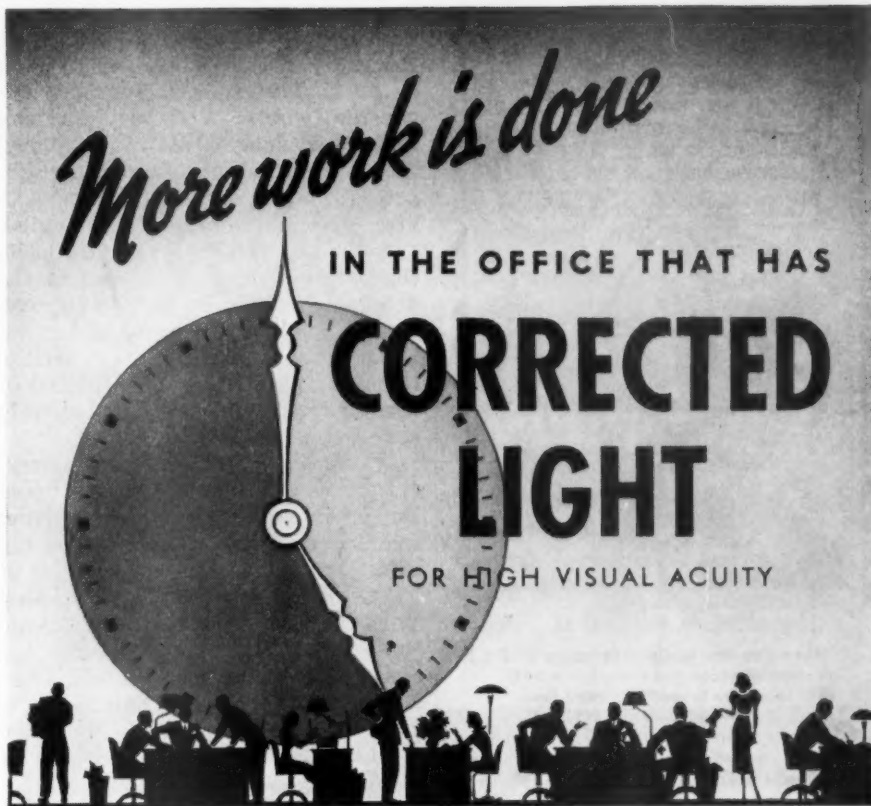
The industrial district is strictly segregated. If in the upper middle class, the Kingsport family lives on a hill, somewhere along miles of con-

More work is done

IN THE OFFICE THAT HAS

CORRECTED LIGHT

FOR HIGH VISUAL ACUITY



Good light and good work go hand in hand. Good business sense says "No" to ordinary artificial light in business. Its harmful color rays strain the eye—fatigue the worker—slow down the pace of office production.

Step up the working speed of your office with the newly developed CORRECTED LIGHT. It is virtually colorless, *white*—because a special luminaire of three-layer glass filters out the color rays.

From stenographers' desks to board-of-directors' table, equip with CORRECTED LIGHT. Let all your staff benefit from light that helps them see better, work better, work faster.

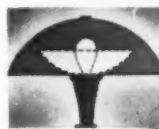
CORRECTED LIGHT is the *only* light for offices with an eye to efficiency. Mail the coupon for more information.



WHITE KNIGHT
Model 34—\$13.50

For executive desks, finished in genuine bronze or gunmetal plate with genuine silver-plated trimmings. Other Greist CORRECTED LIGHT models for every office purpose, \$8.50 to \$37.50. (Slightly higher west of Rockies.)

Dotted lines show special Celestialite triple-glass luminaire



CORRECTED LIGHT is available only in

THE Greist WHITE KNIGHT
AND OTHER GREIST ILLUMINATING UNITS
On sale at leading office appliance and electrical dealers



GREIST MANUFACTURING COMPANY, New Haven, Conn.

Gentlemen: I am interested in Corrected Light. Please send me free your booklet BETTER SIGHT WITH CORRECTED LIGHT.

NAME _____

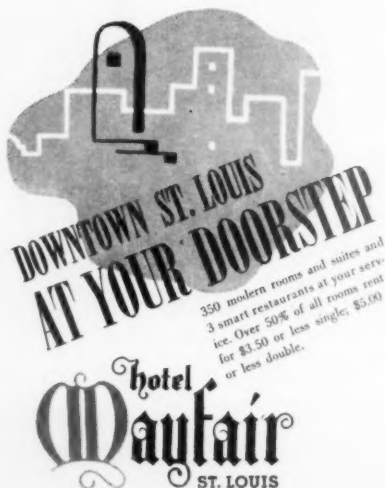
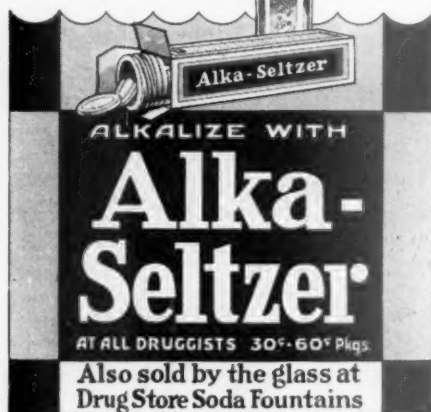
COMPANY _____

ADDRESS _____

NO UPSET STOMACH TROUBLES ME,
NO "MORNING-AFTER" WOE,
NO HEADACHES STAY TO MAR MY DAY,
THEY SIMPLY HAVE TO GO.
TO NIP A COLD BEFORE IT'S OLD
I ALKALIZE IT WELL, SIR.
I DODGE THE GRIEF AND GET RELIEF
BY TAKING ALKA-SELTZER



When a Headache, Upset Stomach, Cold or some other common everyday ache or pain threatens to spoil your good time—be wise—Alkalize with Alka-Seltzer. A tablet in a glass of water makes a pleasant tasting, effervescent solution, which brings quick relief in TWO ways. Because it contains an analgesic (sodium acetyl salicylate) it first relieves the pain and then because of its alkalizing properties, it corrects the cause of the trouble when associated with an excess acid condition.



crete roadways which give entrance to innumerable suburban-type homes as uniformly fine as anything to be found in New York's Westchester County. A factory foreman or a clerk may live in a planned housing community where the improvement corporation built and sold attractive stucco-and-timber English type homes for as little as \$3,200, then stopped because it wanted the people to construct their own residences.

And they are building. Construction in progress will add \$400,000 of taxable values to property already assessed at \$13,692,500.

Speculative construction, however, generally has been frowned upon. But recently the town fathers found something they liked. Hence, as the result of an invitation and advice of FHA men, N. K. Winston, a New York realty operator, and Arde Bulova, the watch manufacturer, are constructing 50 houses to sell from \$3,190 for four rooms, finished attic and bath and hot air heat, to \$4,690 for six rooms, bath and air conditioning.

Though the baths are tiled, the kitchens are the domestic science type with radios, the floors are oak and there are laundry rooms in the full basements, copper pipes and flashings, three coats of paint, asphalt shingles and fireplaces, the developers intend to make a profit on their venture, due to the narrowing of overhead and standardization in six basic designs which achieve variety through decoration ideas. The houses have been considered worthy of a special article in *The Architectural Forum*, which stated the dwellings "would not look out of place on Long Island."

Market for good homes

AND the 50 houses are just the beginning, for Mr. Winston, in preliminary surveys, found that, with the average salary of the workers \$130 a month, there was a potential market for 5,000 homes such as his. Within a few days 700 families made plain they were ready to lay a down payment on the barrel-head for a home and thereafter pay \$35 a month.

Mr. Winston has been impressed, too, by the way the industrialists give him unprecedented support. The Kingsport plants even bought advertisements in the local newspapers for his benefit.

But the industries do more than this. The Borden textile mill has built a village for those of its employees who desire cheap accommodations within walking distance of their jobs. It has none of the com-

pany town atmosphere, because it is entirely within the city. There are shade trees, three and a half miles of concrete sidewalks, curbs and gutters and, looking out upon these, are 277 single houses. Every house has a bath and all modern conveniences, a porch, a plot which often boasts a small vegetable garden, and the Borden Company contends they are a good investment at weekly rentals of 40 cents a room or \$1.60 for a four-room-and-bath house.

The most impressive feature about the Borden development, however, is the same feature which impresses one throughout the city. It is a manifestation of pride. Designed for rich or poor, the houses are in excellent repair. There is no squalor, trash or garbage in view.

Women's organizations of the city offered a prize for the most attractive yard at the Borden development, but the gardening was of such uniform trimness, such devotion was lavished on these patches of green, that the judges could not decide on a single lawn as being the most outstanding. They had to report back to their organizations and ask for 20 prizes.

Screening the village from the mill is a 15-acre park which the company has deeded to the city. Of an afternoon you see workers sauntering along its woodsy paths on their way from their shifts, children playing hide-and-seek among the trees, mothers sitting in swings with their babies. Here also are band concerts, baseball games, Saturday night movies financed by 75-cents-a-year dues which each worker voluntarily pays to a mill recreation association. There is a Boy Scout troop sponsored by the Kiwanis Club, a girls' club with a young woman in charge.

Other companies similarly assist their employees. The cement company has houses, group life insurance, free nursing service; the shale products maintains a couple of villages with concrete streets, screened porches, shade trees, grassy plots. Eastman follows suit with houses, cafeterias, an annual wage dividend, a credit union to aid employees with their savings and borrowings. The Kingsport Press maintains another credit union, recreational facilities and a restaurant where any townsman can dine heartily three times a day for 30 cents.

Despite the construction afoot, housing still is scarce within the city proper, with the result that about 35 per cent of the town's workers must live on outlying subsistence farms and drive to work. But the persons who do this receive all the employee benefits that the others do, they regard themselves as Kingsport peo-

ple, and the town planners encourage the farm-industrial coordination which grows from the system.

It is a natural development, this, since the neighboring farm has been the source of virtually every Kingsport family. The factory workers and the executives, too, in most instances are products of training schools maintained by the industries. For example, the Kingsport Press, which requires the highest of skills for the publication of books, gets all of its labor supply from the surrounding hills, transforms gangling mountain boys into expert typographers, photo-engravers, proof readers, pressmen, binders, electrotypers.

Local workers are trained

ONLY 15 years after its founding, this great plant capable of producing 2,000,000 books a month, has less than 30 employees who were not schooled there. It is the most effective denial to date of the promise that industry cannot leave the big cities for fear of losing its supply of trained workers.

Never, says the Kingsport Press' Mr. E. W. Palmer, has he seen "better employees in any plant in the United States." He adds:

If you go back to the farm and get the unspoiled men and women who have not been concentrated in the cities, and you develop them by putting them under conditions that are fair, you will get the best of human products.

Strong for the subsistence farm idea to the extent that he says he is "a nut on the subject," he stresses that it produces a class of folk who have the means and self-reliance to carry them "over a long period" if layoffs are necessary, who are so attentive to their jobs that it is unnecessary to establish penalties for failure to report to work on time, who are so trustworthy and capable that, in the four week period of 1933 which was the depression's darkest for book production, his employees deposited 12 per cent more than usual in the Kingsport Press' credit union bank, while their repayment of loans reached the highest point to that date. That, he says, shows the security of the farm, and he adds:

"We are convinced that decentralization is necessary, and those who fail to realize it will fail finally of results."

How has it been possible to build out of raw countryside and people a community such as this?

I asked the question of innumerable persons and the reply every time was simply "Cooperation."

There are plenty of evidences of cooperation.

"... This is the most helpful Book on record paper values we have ever seen!"



This booklet will eliminate guesswork from your specifications for important record books, documents and stationery. It will help you select papers of utmost value, maximum service and genuine economy at no extra cost—perhaps at a real saving.

Every executive should have a copy of this valuable booklet. It will be sent to you without cost or obligation.

Address

L. L. BROWN
Paper Company
ADAMS, MASS.

L.L. BROWN
RECORD and
CORRESPONDENCE
PAPERS



WHENEVER INDUSTRY RAISES A STITCHING,
FASTENING OR BINDING PROBLEM

The **MORRISON**
"PERFECTION" WIRE STITCHER
should be considered for

Modern Industry considers modern Morrison wire stitching machines wherever and whenever two pieces of material must be fastened together. Wherever there is a smoke-stack, there is a stitching problem for Morrison wire stitchers and Morrison engineers.

Speed..
Accuracy
Economy
Profit

HARRIS • SEYBOLD • POTTER CO.
SEYBOLD DIVISION • DAYTON, OHIO

MR. EXECUTIVE!
Mennen Gift Boxes
 IDEAL GIFTS FOR YOUR STAFF

THEY LOOK
"Twice the money!"

AT DRUG AND
 DEPARTMENT
 STORES

ABOVE: Silver-and-Emerald Gift Box contains tube of Mennen Lather Shave (Menthol-iced) or Brushless Shave-Skin Bracer-Talcum for Men-Skin Balm—\$1.25

ABOVE: "Wood-Grain" Gift Box contains Mennen Lather Bowl or Brushless Jar-Skin Bracer-Talcum for Men-Skin Balm—\$2.25

THE MENNEN COMPANY, NEWARK, N. J.

The cost of advertising in NATION'S BUSINESS is surprisingly low!

BUSINESS In WASHINGTON

Facilitate contacts... enjoy prestige... command luxury in "The Residence of Presidents."

H. P. Somerville, Managing Director.

The WILLARD HOTEL

The town meetings where public questions are settled by the vote of all the people spell cooperation. The American Legion has constructed a large public swimming pool as its contribution to the city's well-being. The Rotary Club maintains a bowling alley and spends the receipts on milk for undernourished children.

There is cooperation in the way the citizens foot their own relief bills through a Community Chest which goes over the top every year, in an orphanage which has been founded by the women of several churches.

Cooperation in civic affairs

THERE is more cooperation in the way funds for the new hospital were oversubscribed within a few days through more than 8,500 personal pledges. Again, 6,237 persons within a year became members of a hospitalization plan whereby industrial employees, for a 75 cents a month payment, might receive up to 21 days of hospitalization a year and, for 25 cents a month additional, obtain a 33 1/3 per cent reduction in the hospital bills of their dependents. The bulk of the industries contribute up to \$3 a year per employee to help them bear the expense.

Cooperation, however, does not tell the entire story. Dr. Morgan, Director of the TVA, says the secret of Kingsport lies in the people and in Mr. Johnson, the president of the improvement corporation. He says:

The growth of Kingsport is due to a man who has overcome adverse conditions and who just out of the quality of his personality has made men care for his picture of the town so that they would come there because of it. . . . It (Kingsport) is exactly what happens when a man gets a picture in his mind and determines to realize it, providing he does not greatly violate economic considerations. . . . J. Fred Johnson has been somewhat of a dictator there, and has told the managers to treat their labor decently. Leaving out such a human spirit as he has, the same factories might be there, and they might be slaving their labor, and there might be slums in Kingsport. Only a certain individual outlook gives the town its preeminence as a place where economic problems are being solved. There are other industrial cities in the South with manufacturing on a large scale where the results to the population have not been so happy. . . . There were probably hundreds of spots in the Tennessee Valley that were just as good as Kingsport, except that they did not have a man of that kind.

But even if one accepts that view, it still does not quite explain Kingsport. Corporations do not participate in idealistic schemes or accept dictation merely for the fun of it. Indeed, no matter how they were prevailed upon to try the Kingsport idea, this idea has been able to hold them through the years only because

they have found it pays dividends.

There are some things at Kingsport which run counter to the present federal idea of a square deal for the laborer. For instance, unionism is frowned upon. The Eastman people tell me that two workers laboring side by side on identical machines do not know each other's pay scale. But, whatever imperfections the current crop of uplifters might find in it, it is plain that Kingsport provides a lesson.

It might be a lesson to a federal Government which sends its publicity agents into adjectival rhapsodies whenever it evolves a Norris which cannot progress under its original plans.

But it also should be a lesson to industry itself, and to those who might have lost faith in American principles and have come to believe that, after all, collectivism, fascism or communism possibly afford the only way out.

Business Gets Its Due

(Continued from page 16)

because the reaction reaches beyond the legislature.

Recently a dispute in one state over the enactment of a law divided the party in legislative power. The Governor leaned definitely toward the position taken by business. When he asked for information, some one misinformed him on points that were relatively unimportant.

On the basis of what he had been told, the executive made certain statements, only to have the group sponsoring the bill disprove them. He was so irritated that he called in the newspapers, took to the radio and demanded enactment of the measure. It was passed and he signed it.

I do not suggest that business men usually resort to deceit. There is a human tendency, however, to color information to suit one's own advantage. The new rules demand complete disclosure.

By observing the rules, I believe business men can guide legislation more directly than ever before into sound, economic channels.

Specifically, what I mean to advocate is closer cooperation between business and legislators—before as well as during the session. Whether a man is a utility executive or a small manufacturer of stoves, he should invite the state and national representatives of his district to visit his plant. It makes no difference whether he fought these men in the election. They still represent his district, his

employees, and the local consumers.

I know of one case in another state where a young legislator was vociferously demanding abrogation of the readiness to serve charge made by utilities. This is based on the cost of reading meters, servicing, billing, etc. If this service costs a dollar, the consumer using only 35 cents worth of gas or electricity is obviously being carried by others, unless a minimum charge is made.

When this was explained to the legislator he readily saw the point and dropped his attack. That is the type of misunderstanding which may only be corrected by personal contact. There are many others, however, in which the business man can make his facts known by more active cooperation with trade and commercial associations.

Organizations can't do it all

THESE organizations have worked overtime. The business man who finds himself compelled to make two to ten times as much readjustment of his affairs today as he might have had to make cannot say that he was not properly warned.

The newspapers, the chambers of commerce, the boards of trade and other specialized groups have added staffs of experts to their regular service forces. Reports are available, but they are given scant attention.

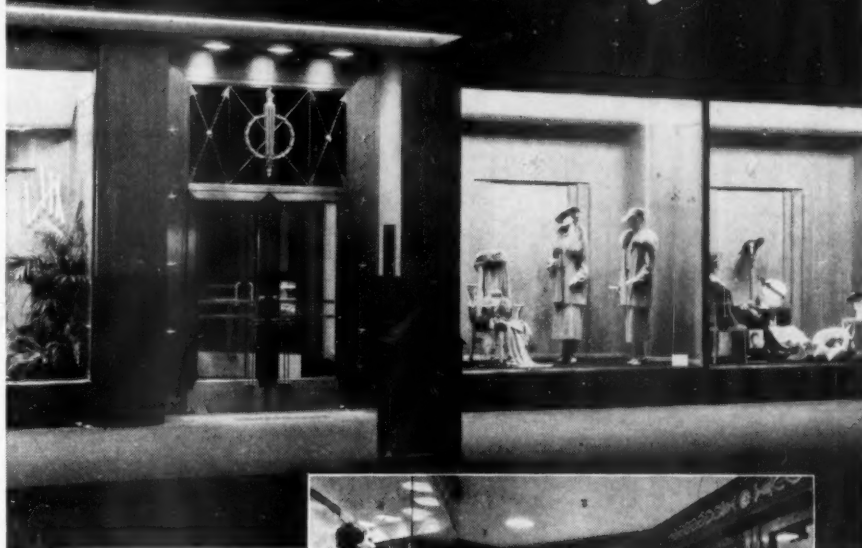
American business, after all, has gone through far more drastic changes in the past than anything now being proposed. This may not seem so to us, but it did to the men who had to adjust their organizations to such economic revolutions as the wave of antitrust laws. They made the adjustments, and business made new records of progress.

In the last analysis, and eliminating all personal political bias, what the business man really wants is a definite knowledge of the rules under which he must operate.

Finally, one of the greatest dangers to economic stability today is the attitude among many business men that the revolt against certain practices will subside of itself, "when business gets better." Pending that time, however, they curtail operations, put off needed improvements and expansion. When enough of them do that, business can get no better.

If business doesn't improve, state and federal Governments are going to continue to tinker with it. Obviously, therefore, the way to keep Government out of further incursions into business is to put more business into Government. The political method of doing that is tortuous and dangerous. The economic, common sense channel is wide open.

MODERN STOREFRONTS OF *Anaconda Bronze*



Kline's, Cincinnati, O.
American Store Equipment
& Construction
Corp., 30 Rockefeller
Plaza, New York, Con-
tractors and Engineers.

Bronze work by
Newman Brothers, Inc.,
Cincinnati.



Handsome, enduring storefronts attract customers...add a note of quality

Anaconda Bronze is the choice of modern business because of the character and distinction it lends to merchandise displayed in the windows.

Durable and absolutely rust-proof, Anaconda Architectural Bronze renders permanent service. It is easily cleaned and retains its original beauty with only occasional attention. Even

when bronze work has been long neglected, cleaning and polishing soon restore its natural lustre.

The American Brass Company is the principal supplier of bronze, copper and nickel silver in the form of extruded shapes, drawn shapes, sheets, etc., as used in ornamental metal work of every description. 87281

Anaconda



Copper & Brass

THE AMERICAN BRASS COMPANY, General Offices: WATERBURY, CONNECTICUT
Offices and Agencies in Principal Cities. In Canada: ANACONDA AMERICAN BRASS LTD., New Toronto, Ont.



Not so dumb...crowded files can waste as much as \$500 a year

Unless you are set up for regular transfer of papers, your files are probably overcrowded. These records should be transferred where they can easily be reached, but not where they use up valuable active floor and equipment space. Not where they obstruct daily filing and finding.

An economical transfer system for your business may save you from \$75 to \$500 a year—in reduced floor space, in fewer equipment purchases, in clerical and executive time.

Remington Rand's 44 years of filing experience is at your disposal, free. Phone the Remington Rand office in your city, or mail coupon.

INACTIVE 1937 papers move into low-cost transfer cases to save active filing space, save time and money and speed up reference.



MAIL THIS COUPON

Remington Rand Inc., Dept. G-412
465 Washington St., Buffalo, N. Y.
Without obligation, send book,
"44 Years' Experience Free".

Name.....
Firm Name.....
Address.....
City..... State.....



**Ok..it's from
Remington Rand**

Index of ADVERTISERS December • 1937

	PAGE
Addressograph-Multigraph Corporation	75
Aluminum Company of America	2nd Cover
American Automatic Electric Sales Co.	73-133
American Brass Company	131
American Credit Indemnity Co. of N. Y.	107
American Telephone & Telegraph Co.	55-103
American Tobacco Company	4th Cover
Associated Gas & Electric Company	126
Association of American Railroads	87
Bakelite Corporation	95
Broderick & Bascom Rope Company	121
Brown, L. L., Paper Company	129
Budd, Edw. G., Manufacturing Co.	57
Burroughs Adding Machine Company	47-125
Canadian Pacific	123
Cast Iron Pipe Research Assn.	4
Caterpillar Tractor Company	80-81
Chicago Tribune	134
Christian Science Monitor, The	116
City of Jersey City, New Jersey	111
Commercial Credit Company	83
Crane & Company, Incorporated	120
Curtis Publishing Company	90-91
Cutler-Hammer, Incorporated	53
Detex Watchclock Corporation	100
Dick, A. B., Company	14
Egry Register Company	119
Erie Railroad	117
Felt & Tarrant Manufacturing Co.	51
Furness Prince Line	106
Gaylord Container Corporation	104
General Electric Company	3
General Motors Corporation	66-67
Goodyear Tire & Rubber Company	12
Grelst Manufacturing Company	127
Harris-Seybold-Potter Company	115-129
Hartford Steam Boiler Insp. Ins. Co.	105
Heating & Ventilating Exposition, 5th International	88
Household Finance Corporation	86
International Business Machines Corp.	2
Iron Fireman Manufacturing Co.	7
Johns-Manville Corporation	85
Kimberly-Clark Corporation	126
Leather Crafters Guild	123
Lennox Hotel	116
Lumbermens Mutual Casualty Company	99
Maryland Casualty Company	63
Mayfair Hotel	128
Mennen Company, The	130
Metropolitan Life Insurance Company	49
Miles Laboratories, Inc., Dr.	128
Missouri-Kansas-Texas Lines	3rd Cover
Monroe Calculating Machine Company	6
Morse Chain Company	9
Muselman Products Co., The	114
National Carbon Company, Inc.	109
National Distillers Products Corp.	68-69
Nation's Business	89-118
New York Times	97
Norfolk & Western Railway Company	11
Northwestern Mutual Life Ins. Co.	101
Pennsylvania Hotel	98
Plymouth Motor Corporation	1
Rag Content Paper Manufacturers	113
Railway Express, Air Express Div.	122
Remington Rand, Inc.	8-61-132
Republic Rubber Company	115
Reynolds, R. J., Tobacco Company	70
Santa Fe Systems Lines	93-108
Seagram-Distillers Corporation	65
South Africa Railways & Harbours	120
Stromberg Electric Company	76
Talcott, James, Inc.	110
Underwood Elliott Fisher Company	77
United States Steel Corporation	58-59
Vogel-Peterson Company, Inc.	110
Westinghouse Electric & Mfg. Company	10
Willard Hotel	130
Wing Manufacturing Co., L. J.	114



This P-A-X telephone—

is not only a positive and quick-functioning automatic telephone for interior communication . . .

It is also a Code Call sender, an Executive Conference station, a Watchmen's Reporting post, an Emergency Alarm box and a device for insuring Conversational Priority to executive messages!

These "special services" of the P-A-X provide facilities for *complete organization control*. With their aid, the executive can quickly and effectively supervise every detail of organization activity—*without once leaving his desk!*

Today, in over 2000 organizations of every type, these special "executive control" facilities of the P-A-X, combined with its instant interior automatic telephone service, are speeding up production, eliminating waste motion and increasing general efficiency to a remarkable degree. Ask us to tell you more about this modern system of business control as applied specifically to *your* business. Address American Automatic Electric Sales Company, 1033 W. Van Buren St., Chicago, Illinois, or consult your local electrical wholesaler.



Means **PRIVATE AUTOMATIC EXCHANGE**

Combining Automatic Interior Telephones • Code Call • Conference
Wire • Emergency Alarm • Executive Priority • Watchmen
Checking • and other related services

A PRODUCT OF AUTOMATIC ELECTRIC COMPANY • CHICAGO



CHRISTMAS STORY

As the late afternoon of December 24 turns into the dusk of Christmas Eve an army of men and women throughout Chicago will be piling baskets high with candy, nuts, oranges, turkeys, toys, clothing—everything that children and grownups alike consider necessary accessories to the Yule celebration.

Their baskets packed and stowed in waiting automobiles, these men and women will set off in search of unfamiliar names and addresses in unfamiliar neighborhoods—areas in whose cheerless streets stand the dwelling places of the underprivileged.

Up, and frequently down, rickety stairways they will trudge, bringing Christmas to those for whom December 25 would otherwise be as featureless as any other winter's day.

All this will happen this Christmas Eve in Chicago, as it has happened each year since 1909, as the result of a letter published in the Chicago Tribune.

On December 10 of that year a letter,

destined to become one of the most famous ever written, appeared over the pseudonym "Good Fellow." It voiced a plea for the thousands of children to whom Christmas has no meaning.

In simple, moving words "Good Fellow" appealed to Tribune readers to remember these forgotten children, to prove to them that there is a Santa Claus.

"Perhaps," wrote the youngsters' unknown champion, "a twenty-five cent doll or a ten-cent tin toy wouldn't mean much to the children you know, but to the child who would find them in the otherwise empty stocking they mean much—the difference between disappointment and the joy that Santa Claus did not forget them."

"Good Fellow" suggested that the

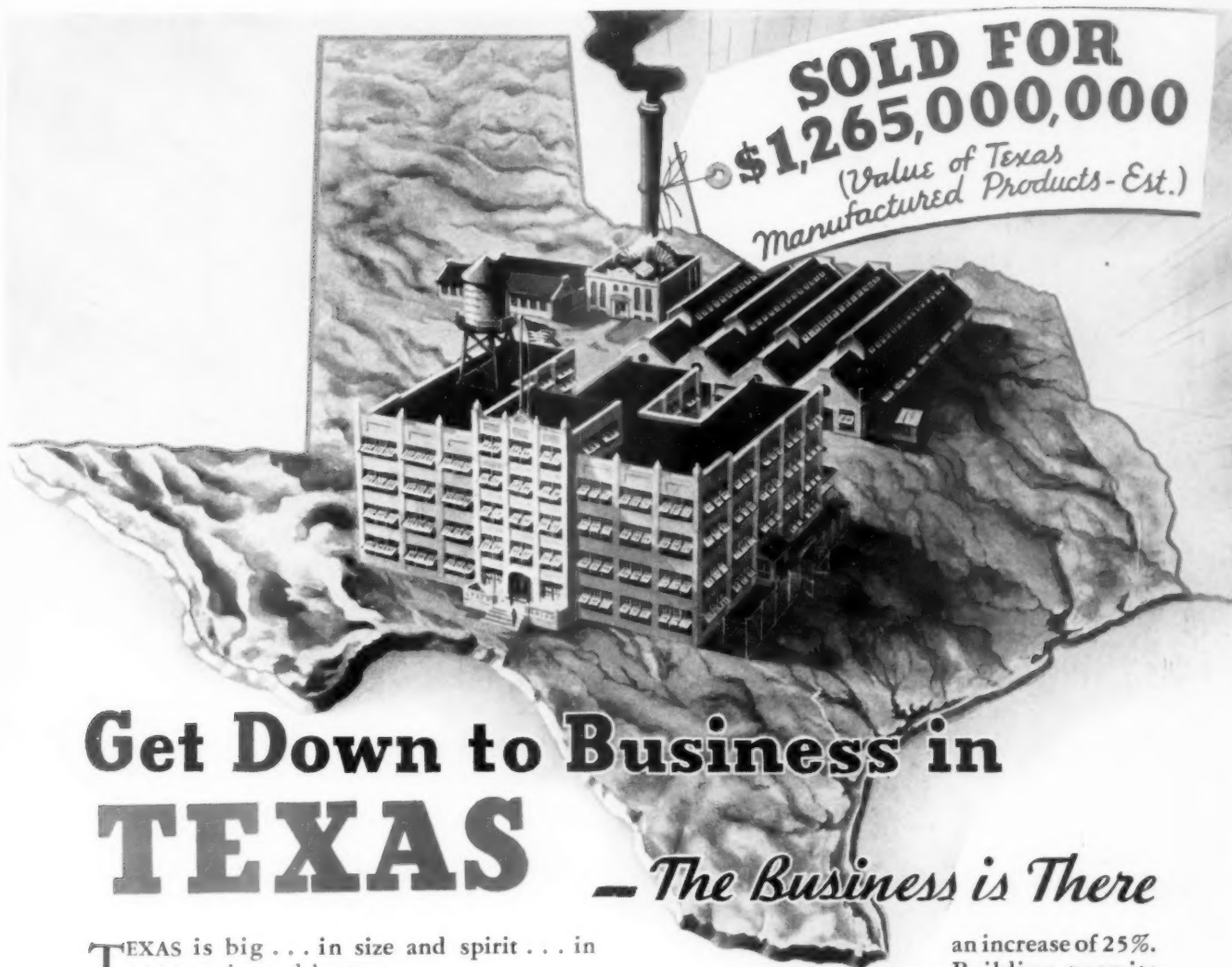
Tribune act as intermediary between its readers and the children whose Christmas they wished to brighten. If the Tribune would provide the names and addresses of children, readers would do the rest.

They did. Their quick, generous response made the plan an instant success. As a result, the Tribune created a special department to handle clerical and other organization details.

Today the visits of "Good Fellows" at Christmas time have become a Chicago institution—an integral part of this city's observance of the season of good will.

The "Good Fellow" movement is but one of the many ties which bind the Chicago Tribune and its readers in mutual friendliness. Through more than ninety years this close, personal relationship has been one of the factors which make the Tribune Chicago's first newspaper—and its most productive advertising medium.

Chicago Tribune
THE WORLD'S GREATEST NEWSPAPER



Get Down to Business in TEXAS

— The Business is There

TEXAS is big . . . in size and spirit . . . in opportunity and income.

Two and one-half BILLION dollars is big money, but that's the average annual spendable income of Texas. Opportunities for sales activities are numerous and favorable because people here have money to spend.

Manufacturing has increased rapidly during recent years and Texas factories annually turn out products valued at well over a billion dollars. The progress and advancement of Texas has been remarkable, but the real development has only begun. There is still plenty of opportunity for business and industry to profit from the rapid growth of this great Southwestern market.

Texas offers many advantages that are attracting industry to this big State. *Abundant Raw Materials*—cotton, wool, mohair, fruits and vegetables, grain, packing house products. *Plentiful Natural Resources*—low-cost fuel, the world's biggest petroleum production, building materials (brick and tile clays, granite, marble and other stone and hard and soft wood timber). *An Increasing Market*—The last census showed

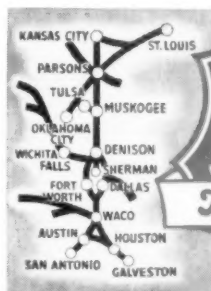
an increase of 25%. Building permits for 1936 more than

doubled those of 1935. *Labor conditions* are favorable, living costs are lower, the climate is moderate and neighbors are friendly.

Transportation facilities, so important to the growth and development of any section, are excellent. Texas has more miles of railroad track than any other state in the nation—16,660 miles of railways interlace Texas cities and towns.

The Katy is proud of the part it is playing in the development of Texas and the Southwest. It operates fast, convenient, dependable schedules of thoroughly modern passenger and freight trains that link principal Texas cities with metropolitan centers of the North and East.

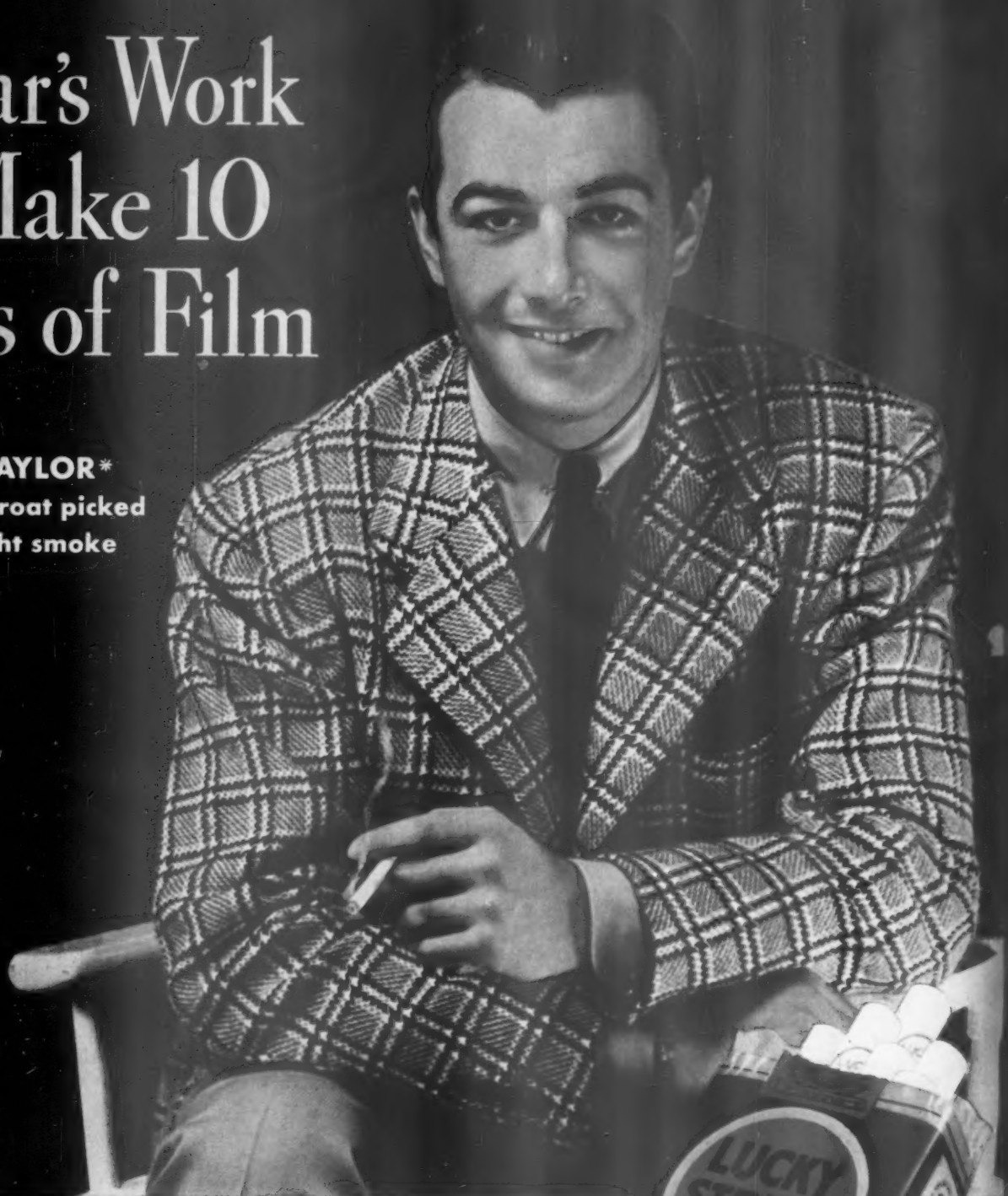
As part of its progressive and constructive policy the Katy maintains an Industrial Department which will supply definite information about opportunities in Texas. Address the Industrial Development Department, Missouri-Kansas-Texas Lines, St. Louis, Mo., or Dallas, Texas.



PIONEER RAILROAD OF THE SOUTHWEST

A Year's Work to Make 10 Hours of Film

ROBERT TAYLOR*
tells how his throat picked
Luckies, a light smoke



"MY 8 PICTURES this year," says Robert Taylor, "run about 10 hours on the screen. But that meant over 2,000 hours of work for me... During all this acting I found Luckies gentle on my throat. I started smoking them 7 years ago."

Luckies are easy on your throat because the "Toasting" process takes out certain harsh throat irritants

*STAR OF METRO-GOLDWYN-MAYER'S "YANK AT OXFORD"

found in all tobacco—even the finest.

And Luckies do use the finest tobacco. Sworn records show that among independent tobacco experts Lucky Strike has twice as many exclusive smokers as have all other cigarettes combined.

In the impartial, honest judgment of the experts...the men who know tobacco best...it's Luckies—2 to 1.



WITH TOBACCO EXPERTS...
WITH MEN WHO KNOW TOBACCO BEST

It's Luckies 2 to 1

Luckies—A Light Smoke

Easy on your throat—"It's Toasted"

Copyright 1937, The American Tobacco Company

